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(b) the annual import into the Presidency of paper and pulp in terms of quantity and value and the annual production in the Presidency of the same in similar terms;

(c) the value of the annual consumption of paper in the Madras Presidency;

(d) whether any manner of survey of the potentialities of the Presidency including Papanasam, in the matter of paper and pulp manufacture has been made by the Government so far, and, if so, what the result of the same is; and

(e) whether the Government have got any policy or programme for the development of paper manufacture in the Presidency?

A.—(a) Yes.

(b) The annual import of paper and pulp by sea is as follows:—

Year.	Paper.		Pulp.	
	Quantity.	Value.	Quantity.	Value.
	TONS.	RS.	TONS.	RS.
1931-32	17,671	37,51,015	49	9,509
1932-33	19,938	39,86,403	26	6,310
1933-34 (Ten months, April 1933 to January 1934).	18,159	32,39,713	67	11,223

The annual production of paper is as follows:—

Year.	Quantity.		Value.	
	TONS.	RS.	TONS.	RS.
1930	300	1,50,000		
1931	100	50,000		
1932	Nil.	Nil.		

Information regarding annual production of pulp is not available.

(c) Information is not available.

(d) A survey of the potentialities of the Papanasam forests and the Rekapalli Reserve in the Upper Godavari Division was made. It is reported that sufficient raw materials are available in these areas. But the establishment of a paper factory at Papanasam depends for its success on a hydro-electric scheme on the Papanasam river for the supply of electricity to the mill.

(e) The Government are prepared to assist private enterprise.

[Note.—An asterisk (*) at the commencement of a speech indicates revision by the Member.]

II.—GENERAL DISCUSSION OF THE BUDGET FOR 1934-35.

* The Hon. the PRESIDENT:—"The general discussion on the Budget will continue and the hon. Member, Mr. M. Devadasan, will continue his speech."

* Mr. M. DEVADASAN:—"In continuing my speech, I say that the Anglo-Indians and Europeans are Christians. I beg pardon of the Members of the group representing them. Yet they are treated better

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than the Depressed Class Christians whose condition is a hundred times worse than theirs. Time after time, Members of the Indian Christian community as well as myself urged on the Government the necessity of taking into their favourable consideration, the claims of the Christians and still nothing has been done in that direction. Therefore, the Depressed Classes themselves have sent memorials to the Local Government, the Central Government and the Joint Parliamentary Committee requesting them to take a liberal view of the case of the Depressed Christians in the matter of appointments as well as in other matters. But nothing has been done to the people; I have to say that they are no less loyal and faithful to the Government than any other class of people. Yet, their claims have been treated with scant consideration. The words of Shakespeare that innocence and piety are not always successful are strikingly applicable to them. I must request the Hon. Members of the Government to take a liberal view of the case of the Depressed Class Christians in the matter of appointments and in other matters.

“Coming to the subject of assignment of lands, on the whole, I find there has been some slackness on the part of the Revenue subordinates. It takes several years for the Revenue subordinates to assign lands in favour of the Depressed Classes and they have to wait indefinitely for these small grants. Often the assignments involve very heavy expenditure to them and in some cases they have been asked to pay some valuable consideration for the lands assigned long after occupation. The conditions of the people in the mufassal are not taken into proper consideration by the Revenue authorities.

“As regards the Police and other departments, I may state that sufficient members from the Depressed Classes are not taken in service although Government gave an assurance to us that circulars would be issued to the district officials enjoining them to treat the claims of the Depressed Classes in a liberal spirit.

“Before I finish my speech, I should refer to the two points spoken on by my friends yesterday. I feel it my duty to say a few words about them. Referring to the question of land revenue remission, I must say that something has been done by the Government for which we should feel thankful. A sum of 155 lakhs of rupees that was remitted has been distributed for three faslis, 1342 to 1344. 3.20 lakhs have been allotted towards the relief of people suffering from cyclone and floods. So, the Government have been considerate to such an extent as has been possible for them to do. I am one of those who voted for the resolution, advocating a reduction of land revenue to the extent of 25 per cent. After perusing the Budget Memorandum and the Budget Estimate, I gather that the Government have found it difficult to make a much larger reduction than it has been possible for them to do. However, I would request the Government to follow what has been done by the Bombay Government in the matter of offering concessions in land revenue to the ryots of that Province. The Bombay Government have given a much larger reduction, though they were also faced with the same difficulty as the Government of Madras.

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“ With regard to the pay cut, I have to say that time will come when it will be imperatively necessary to introduce the pay cut. I find that the condition of the people is getting worse from day to day. Paddy which was selling in Tinnevely at Rs. 8 per kota last year is now selling at Rs. 6 or less than that. I say that if this state of affairs continues for some time more the conditions of the ryot will be worsened. The Hon. Finance Member has stated that the contingency for the re-introduction of the pay cut has not arisen, but I am one of those who think otherwise. The financial depression has not left us altogether. The conditions of the people are in the same old position as they were once and I apprehend that they will become really worse than in the past. So, it is absolutely necessary that Government will have to introduce pay cut in the case of Government servants and the Government servants also would not grudge to bear a cut when the ryots upon whom the welfare of the State rests suffer a great deal.

“ Coming as I do from Tinnevely, I want to say a few words before concluding my speech about my district. I find in the Budget Estimates that much has been provided for the needs of other districts. So far as Tinnevely is concerned, only for a few minor items, money has been provided. People have been crying for years for provision being made for repairing tanks, channels, and other irrigation sources which have been left unattended to in the past. In the central districts and northern districts much money has been spent to improve the condition of the ryots as well as other people. So far as Tinnevely is concerned, enough money has not been provided for. This, I think, is deeply regrettable. Crores of rupees are proposed to be spent on the Tungabhadra, Bhavani and other projects; but the consideration that is thus extended to the central and northern districts has not been extended to the Tinnevely district also. I request the Members of the Government to take these facts into consideration and allot money, whenever possible, for the needs of the Tinnevely district.”

11-15
a.m.

Mr. BASHEER AHMED SAYEED:—“ Mr. President, I have always felt that it does not serve any useful purpose to discuss, in a general fashion, the Budget Estimates presented by the Hon. the Finance Member.”

* The Hon. the PRESIDENT:—“ I would like to intervene for a second to inform the House that there are very many hon. Members anxious to speak and I hope that the time-limit will be more strictly adhered to than before.”

Mr. BASHEER AHMED SAYEED:—“ Sir, I had occasion to observe on the floor of this House that the Leader of the House and the Governor in Council would do well to consider whether it is at all necessary that we should have three days allotted for the discussion of the Budget in this general manner. (The Hon. Sir Hopetoun Stokes: ‘Hear, hear.’) I think, Sir, it will serve a more useful purpose if we have, in addition to the 11 days now allotted, these three days also for the discussion of the Budget items in detail. That, according to me, will serve a more useful purpose than this general

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desultory discussion that we are having since yesterday. If these 11 days are to be increased to 14 days for the detailed discussion and voting of the grants, we would be able to bring to the notice of the Government several important grievances which we are not able to bring to their notice in the general discussion, within the limited scope of ten minutes. I will therefore once again suggest to the Hon. the Leader of the House that he do take into consideration the question of increasing the number of days allotted for the detailed voting of demands by the inclusion of these days to the 11 or 12 days allotted for the purpose in future years.

“ Sir, coming to the Budget itself I should say that it is a straight Budget that has been presented by the Hon. the Finance Member. Our congratulations are certainly due to him for having balanced the Budget; and not merely that, but also Sir, for having shown a surplus of 4 and odd lakhs. It is indeed a good Budget; but, Sir, the question remains to be seen as to how the surplus has been arrived at. This surplus has been arrived at by stinting various departments, of work to which there is a great clamour for increased allotment. It is true that nearly 60 and odd lakhs have been taken away by revenue remissions; but then, if we go through the Budget we see that in many directions the revenues have fallen and under many items the revenues have remained stationary. It would have been very good and very well for the Hon. the Finance Member to have inquired into the reasons, apart from the general economic depression, as to why exactly the revenues have remained stationary under certain heads and why they have fallen under other heads. For instance, I find those heads of account which ought to yield greater and greater income to the Government, namely, Stamps, Forests, Excise and so on, have not shown any improvement. The one great reason for the fall in Stamp and Court-fee is the prevalence in the country—the Hon. the Finance Member is not unaware of it—of the high incidence of taxation on the litigant public. If only the Government would see their way to so amend the Court Fees Act, as was suggested on previous occasions on the floor of this House, as also by the Taxation Enquiry Committee, as to lower the rate of court-fee levied in courts and help to increase the number of people who go to seek remedy in courts, they will find a fruitful source of income. The recent enhancement of fees for the institution of suits in the High Court has had a very deleterious effect on the finances of the Government. The filing of suits has fallen to a very large extent both here and in the mufassal. The sale of stamps has fallen on account of the stamp duty being very heavy. We know that hundreds and thousands of documents are not stamped, much less are they registered, on account of the poverty of the people who cannot afford to pay the heavy charge. If these stamps are not purchased and the documents are not registered, it is because of the inability of the parties concerned to go in for what they think to be a luxury. I would therefore suggest that the whole system of stamp duty and also the court-fees now levied on should be revised. Various ways and means have been suggested for increasing the income of the Government and if only the Government

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would consider the utility of these ways and means and revise or amend the Court Fees Act which was amended in 1921-22 as a temporary measure, there is every hope of their income being enhanced.

“The Hon. the Finance Member has admitted that the excise revenue has fallen and that there is no immediate prospect of its rising. That is an admission that the power of the people to spend money in the luxury of drink has been much crippled. But what is it that has been proposed now in the Budget to enhance the purchasing power or increase the capacity of the people to go in for more and more luxuries. I find nothing. It would have been better if measures had been advocated in the budget which would relieve the people from their present distressed condition and would have increased their purchasing power by enhancing the level of prices.

“No doubt, the Hon. the Finance Member has referred in his speech to remission of land revenue. But what is the extent of the remission? It is only $12\frac{1}{2}$ per cent. I would only invite his attention to what has been done in the Presidency of Bombay where remission ranging from $12\frac{1}{2}$ per cent to $33\frac{1}{3}$ per cent has been granted. If the Government take note of that, they will realize that it is not a very high rate of remission that they have granted in this Presidency. Does it give adequate relief to the cultivator? No. Two annas in the rupee does not go much to relieve him, though relief it is to a small extent. Sir, if the Government had made up their minds to accept the Council's resolution to remit 25 per cent of the land tax, I would still say that it would not be adequate because the demand all over the Presidency is for 50 per cent remission and the situation of the ryots, though not of the administration, does justify a remission of 50 per cent. We have at the same time to remember that a 50 per cent reduction will reduce the finances of the Province to a great extent and the administration could not be carried on. But what is the position of the administration to-day? I find that the amount budgeted for pay of establishment and the cost of the administration in all the departments has been on the increase. Every head of account shows increase under expenses on establishment and other recurring charges. There is not a single department which has budgeted for a decrease under establishments. I consider that the administration is growing more and more top-heavy in spite of the revised scales of salary. The effect of the revised scales is not seen and would not be seen for some years to come. The administration therefore still continues to be top-heavy. Will the Hon. the Finance Member reconsider the situation once again and see how he could make administration less costly? There are very high salaries still persisting. Those posts would show a decent saving if they are retrenched. But sufficient retrenchment does not seem to have been effected in these cases. By way of retrenchment something only has been done here and there and that is why retrenchment has not resulted in much saving to the Government. I would therefore ask the Government and the Hon. the Finance Member to take once again the whole system of expenditure including pay of establishment, scales of salaries

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and so on and see whether there could not be any further retrenchment. There are still very many departments where there is a lot of wastage going on. I have in mind the Public Works Department particularly where much can be done to save money. I do not wish to dilate on this point any further.

“ There is one other point which I would like to touch upon on this occasion. The Government have always been saying, in fact they have been obsessed with this idea, viz., that once remission is granted, it will be a recurring factor and that it will not be possible for them later to keep out of it. They seem to say that year after year $12\frac{1}{2}$ per cent remission will be asked for by the representatives of the ryots and that these representatives will insist on the Government granting it. This indeed shows a certain amount of obsession. I ask, why the Government should not assume for purposes of budgeting that their income has permanently come down to 15 crores from 17 or 18 crores? Let them prepare the Budget on the basis of 15 crores income. Let them give up the balance of 2 crores permanently and then on this basis of 15 crores, if they frame the Budget, they will be able to give the full 25 per cent relief to the suffering tax-payer.

“ Now, Sir, there is one other source of income which the Government have not so far thought of. I would suggest for their consideration that they should apply to the Government of India for all the confiscations that are now being made within the Presidency of Madras by the Government of India through their Land Customs Department. The people of this Presidency have been in the past three years and more are losing a lot on account of the smuggling of contraband goods from Pondicherry, Karaikal and Mahé. Sir, the amount of silver, saccarine, gold lace, sugar and other contraband articles brought into the Presidency by smuggling is increasing day by day. The loss is suffered by the people of this Presidency, by reason of the confiscation of the goods found in the possession of our people. I would earnestly ask and suggest to the Hon. the Finance Member that the value of the goods thus confiscated from year to year must be credited to the Madras Government, and not to the Government of India, for the benefit of the people of Madras. That will bring in 10 to 15 lakhs of rupees to the Provincial exchequer. It should be made a provincial source of revenue. No doubt, in the matter of opium and other drugs the Government of India is getting a good deal of the confiscated property and Madras gets a portion of it. But my point is that the value of silver and other things confiscated should also be given back to Madras instead of being credited to the Government of India.

“ One other point, Sir, and I am done. I wish to say a few words on Education. I find that the Education Department has been starved. Instead of that department growing by fast strides, it is remaining stationary though luckily it is not lagging behind. There are very many aspects of education which deserve careful attention from the Transferred Half. It is the primary duty of the Government to educate

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the people and to progress the interests of those who are in charge of it. I would suggest for the consideration of the Government, Sir, as to whether the time has not come when they should go back upon all the old theories of education being filtered down from top to bottom, and instead concentrate all their energy and all their funds on elementary education in the first instance and then on secondary education and for the betterment of the teaching population. I suggest that the Government should review the position and have a consistent policy with regard to education and see how best to improve it. It does not matter what additional source of expenditure it might give rise to."

* The RAJA OF PARLAKIMEDI:—" Sir, I rise to compliment and congratulate the Hon. the Finance Member for balancing the Budget so successfully, irrespective of the fact that we are now confronted with a time of most appalling financial breakdown, not only in this Province and in India, but also affecting the whole world.

11-30
a.m.

" On the point of remission to the cultivators, Sir, I have a word or two to lay before this House. Agriculture from my school days is a hobby for me and I am never tired to conduct or supervise the different operations from the preparation of seedbeds up till the winnowing of grains, or preparation of refined gur, to penning of sheep, before a plot of land is ready to have sets of sugarcane planted in thoroughly water-soaked trenches, and therefore I can very well say that I possess a pretty good knowledge of the hardships an Indian cultivator has to face to excite my sympathies, when especially he has nothing better than to throw in his lot with the caprice of God Indra, however much faithful Indra, may be not to let down his mortal dependents. I am for compensating the tenants, but from practical knowledge I have no hesitation to say, that it is almost impossible to make the agencies of distribution really watertight compartments to prevent leakages and percolation before the remitted amount reaches the ryots. Even granting that such things are unheard of or abominable to think of in Government service, even in the lowest strata, and the demanded 25 per cent of remission will fully reach the pockets of individual ryots of the affected ryotwari areas, I think it requires very little thought or persuasion to believe that a remission of 12½ per cent only can ever really mean an appreciable measure of relief to the tenant.

" I entirely agree with the Finance Member that to make up for this extraordinary contingency, as a set off, no further retrenchment in pay or men in different services should be effected. Nor should the annual progress of Part II schemes be hampered any further. The Department responsible for the maintenance of Law and Order is very much retrenched as it is, and I know of concrete instances where even to carry out their daily routine duties there are not enough men. In mufassal cities containing not less than 20,000 people, however enthusiastic the heads of departments may be, find it quite impracticable to have fixed or moving beats to regulate traffic; the result is on and while in transit, through carelessness on the part of pedestrians and rash driving on the part of taxis and buses, taxis and

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buses cause fatal injury to human life, and in border areas it is becoming an impossibility these days to have European Assistant Superintendents of Police, even in stations, where to meet the peculiar situation European Assistant Superintendents of Police used to be stationed to hold the scales even in an unbiassed manner between two communities and assure peace among the public. Even to-day I strongly feel their existence in such areas is indispensable. To accord this almost ineffectual relief to the tenants in ryotwari areas why lower the standard of efficiency of administration by retrenchment, which must mean shattering considerably the reputation of the British administration built upon a sound foundation of centuries experience? On the other hand, why cannot a protective tariff be levied to keep out all unhealthy competition from outside with Indian agricultural produce? When we cannot in these days grow paddy or any other grain in India with profit, why allow Siamese paddy to be dumped down by tons to further lower the prices? If only the present prevailing prices are manipulated to yield an anna or two more per each ton of rice, it will be a much more appreciable relief to the cultivators. This sort of regulating of prices is successfully practised in certain Indian States and when it is possible there, I think it should also be quite possible to bring it to force in this province. We have co-operative societies in our Province, which unfortunately are nothing but money-lending institutions and which again, owing to, I take it, lack of man-power to carry out effective supervision, are allowed to drift into most chaotic and undesirable conditions. In Western countries and in Great Britain, I know, each community, craft and art, have, their own co-operative society to protect and safeguard their own interests. If that system is too much to adopt in these parts, let us follow at least the system successfully put to practice in Bombay and in the Punjab to help the agriculturists in those parts. For instance, sugar manufacture at present is passing brightest of times and our co-operative societies should, I think, be made to co-operate with the cultivators and come to their rescue in securing the required quantity of cane-sets for each taluka, if local required quantity is below the demand. Loans should be made available at a very much lower rate of interest and the period of recovery should be spread over larger number of years to afford greater convenience to the poor cultivators, so that a cultivator with these facilities will be able to well afford to face the present world-wide financial depression.

“ In fine, with the given solutions, my suggestion to the Government and this House is not to apply further, scissors of retrenchment and diminish the pay and staff in different departments of executive and civil service.”

* MR. J. K. METHERELL:—“ Mr. President, Sir, I should like to congratulate the Hon. the Finance Member for having presented to us a surplus budget at the end of the financial year. I hope that he will find that the revenue estimated to be realized from Excise and from Stamps will in fact be realized. Although there are signs of the cloud depression and financial difficulties lifting, it is doubtful whether the

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effects of any improvement can make themselves felt during the course of the next 12 months. It will probably take some time beyond that before we see the real effects of any improvement in economic conditions generally.

"It seems to me that the question of having a surplus budget does not end with the satisfaction of having a surplus. Some of us may be inclined to ask ourselves how that surplus is arrived at and there is always the thought that possibly the achievement of the surplus itself might have clouded other issues. It might have been achieved at the expense of development and of schemes which might in due course be remunerative to Government. Also we cannot overlook the fact that it is possible for a Government to make some definite contribution towards recovery by stimulating employment and also by stimulating projects for development which should assist us on the road towards recovery. I only offer these suggestions in passing because there is definitely the danger everywhere of a surplus being considered an end in itself.

"With regard to the reimposition of the cut in the salaries of Provincial and Subordinate Government servants, I cannot see how we can justify any reimposition of the cut. You cannot play fast and loose with their terms of service. The cut was restored last year and there seems to be no new circumstance which has arisen since last year that could justify a reimposition of the cut. It may be some point in saying that the cut should not have been restored in full last April and that it might have been better to have followed the example of the Government of India in a wider sphere and restored a portion of the cut. I think hon. Members have underestimated the savings which will be effected by the lower scale of pay which has been introduced for the new entrants in Government service and that these savings will probably materialise much earlier than has been indicated in one or two speeches.

"There is however one point in the Hon. the Finance Member's speech with which I do not find myself in agreement. There seems to be still an idea prevailing in the minds of Government servants that those who are employed in business occupations make large fortunes. Surely after all these weary years of depression, it should not be necessary to reject that large fortunes are not made in business as a general rule. There may be a few cases where the emoluments of people employed in business occupations may be high, but they will be commensurate with the position they occupy just as in the case of higher Government officials.

"But we are discussing the pay of the Provincial and Subordinate Government servants who are mainly, as the Hon. the Finance Member says in his own words, on low pay. Is it suggested that these men sacrifice a fortune by being altruistic and entering Government service.

"But I really do feel that the argument that a man who enters Government service sacrifices a 'fortune round the corner' should not any longer be used to justify security of service as the pay of the

11-45
a.m.

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services. There is indeed every reason to agree that the certainty of employment and the certainty of a pension are a vital necessity to all Government servants in order to secure their efficiency and loyalty, but it should not be forgotten that the salaries themselves are quite attractive as is shown by the fact that for any one vacancy in Government service there is a vast number of applicants. As for the sacrifice that a man makes of other activities in life, Sir, they seem to me to be very few. I cannot think of many sacrifices, other than possibly those of attendance at political meetings and possibly the advantage and honour of being able to stand for election to this and other Houses of Legislatures. Actually Government service offers privileges which to many of us outside are denied. Therefore I would like to suggest this line of argument should be discarded once for all. The merits of the case are sufficient in themselves. There is no justification to be obtained from the financial position of the Presidency as shown by the Budget figures for reimposing the cut.

“With regard to the revenue balances, I agree they should not be lightly dissipated. With regard to the coming Reforms which have been so constantly mentioned (Mr. Abdul Hameed Khan: Hear, hear), there is also a danger that if we show too large an amount on the credit side, we may find it difficult to obtain our fair share in due course of, let us say, the income-tax when it comes to be allotted on a percentage basis to all Provinces. I do not know whether there is actually any danger of this, but I suggest it as a possibility.

“In conclusion, I should like once again to emphasise that we are grateful to the Finance Member for presenting us with a Budget that seems to be sound, is at any rate one which shows that this Province has by hook or by crook weathered a storm which many great countries have failed to weather.”

* Diwan Bahadur A. APPADURAI PILLAI:—“Mr. President, Sir, I wish to associate myself with the hon. Members who have spoken before me in heartily congratulating the Hon. the Finance Member on the admirable budget he has presented to the House. The preparation of a proper Budget calls forth ingenuity and forethought. The Hon. the Finance Member whose efforts have been admirably seconded by his able lieutenants has been able to place before the House a surplus Budget. It is no secret that the Hon. the Finance Member has with commendable vigilance and industry explored all possible avenues of retrenchment at a time when this Province has been threatened with a financial crisis. With what result his industry and labour have been rewarded, we now see in the Budget before us. A deficit of Rs. 105 lakhs in 1930-31 has been converted into a surplus of Rs. 77.21 lakhs in 1932-33. It is also very gratifying to note that hon. Members have unanimously poured encomiums on the Hon. the Finance Member and his able lieutenants for the tremendous work that they have done. This result has been obtained, it must be remembered, after providing for land revenue remission to the extent of Rs. 10.71 lakhs in 1932-33, Rs. 72.15

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lakhs in 1933-34 and Rs. 61.85 lakhs in 1934-35. Now funds are forthcoming for increased expenditure under Education, Medical and Public Health, Agriculture, Industries and other heads.

“Most of the speakers have referred to two important aspects of the present Budget and it will not be fair on my part to refrain from saying a few words on those two matters. First with regard to the grant of land revenue remission. Land revenue remission is not regulated by statutory provision: it rests entirely on the discretion of the Government. Remissions are granted with reference to excess or deficit of water-supply which ultimately depends on the rainfall. In the present instance, however, owing to unprecedented economic depression and fall in prices, land revenue remission has had to be granted. We know, Sir, that various district officers have sent their reports to Government after a detailed examination of the actual conditions in the districts and the Government on a consideration of these reports have declared that a remission of $12\frac{1}{2}$ per cent on wet lands and $6\frac{1}{4}$ per cent on dry lands would be granted for the current year. That remission would amount to Rs. 72.15 lakhs during the current year. They have also unasked provided for a remission of Rs. 61.85 lakhs in the ensuing year. After all, this is not an arbitrary figure. No doubt one would be glad if, instead of As. 2 in the rupee, either As. 3 or As. 4 in the rupee had been remitted. But we should remember that the Government have not been actuated by any sordid motives to keep back what is actually due to the ryot. They have taken care to husband their resources in such a manner as to be able to grant the necessary relief taking care at the same time that they do not impair the efficiency of the administration. They are not unaware of the fact that in other Provinces higher rates of remission have been granted. If any body knows it, it is the Government. It does not prevent Government, if they come to see that the remission already granted is not adequate, from granting further remissions. I dare say that the Government would not hesitate to do so, if such a contingency arises. After all, Sir, the Government are the custodians of public finance, and I am sure that the welfare of the ryot is as much a concern of the Government as that of the ryots themselves.

“I wish to say a few words about the salary cut which has been dealt with at considerable length by Hon. Members. Under the direction of the Government of India, the 5 per cent cut in the pay of All-India officers has been retained, while the cut in the pay of the Provincial and Subordinate officers has been removed. There has been an incessant demand that this cut should be reimposed. The Hon. the Finance Member in his exposition of the Budget scheme has clearly stated, for reasons mentioned by him, that it was not possible to reimpose the pay-cut. He has stated that the cut was imposed as an emergency measure under peculiar circumstances and that it should not be resorted to save in exceptional circumstances. After all, Sir, Government servants are servants of the public. Their time is entirely at the disposal of the public. Their acts are in the public eye. If there is a

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disturbance or a riot to be quelled, it is the public servant who first throws himself forward. If there is an epidemic to be fought, it is the public servant who goes to the forefront. The public servant is ever anxious to serve the public in the best manner possible. Is it not desirable therefore, Sir, that the public servant should also feel that his interests are safe in the hands of the public? To keep him contented and to make him feel sure that his interests are always the concern of the public is to ensure his efficiency in a very large measure. In his speech, the Hon. the Finance Member has distinctly stated that the reimposition of the cut would be resorted to, if circumstances necessitated such a course. I do not think, Sir, that I need dwell further on this point. After all, personally I cannot see any real connexion between the salary-cut and the land revenue remission. Somehow or other the discussion has drifted in that direction so as to make the land revenue remission dependent on the salary cut. Personally I do not think that there is any real connexion between the two. May I ask, Sir, if the resources of the Government are so crippled as to force them to look for revenue remission only by cutting the salaries of the officers? Have the Government really come to the end of their tether, so that they can grant revenue remission only by cutting the pay of their subordinates and officers? I do not think so, Sir. If the Government are convinced that there is need for further remission, I dare say they would find other resources to comply with the legitimate demands of the people without resorting to a salary cut. I would therefore earnestly appeal to Hon. Members of this House to dissociate the salary cut from land revenue remission. They are not interdependent. Coming to the Budget itself"

* The Hon. the PRESIDENT:—"The Hon. Member has already taken 12 minutes."

* Diwan Bahadur A. APPADURAI PILLAI:—"I shall not take more than two minutes more. Coming to the Budget itself, I find that there is a large scope for improvement in the matter of Industries. I find that the Budget for 1934-35 automatically repeats the provision made in the previous years under this head."

12 noon. "There is no indication of any progress. The Department of Industries is topheavy. There are a number of officers doing the same or similar work."

"There is the Kerala Soap Institute which has served its purpose. It is not the duty of the Government to maintain commercial institutions. When once an experiment reaches commercial possibility, it is necessary on the part of the Government to throw the industry open to the public and confine themselves to the conduct of fresh experiments and training of apprentices. I wish the Government would bear this suggestion in mind and see that the Kerala Soap Institute for which a provision of over Rs. 2 lakhs is made every year is done away with and that the activities of the Institute is confined to the conduct of experiments in oils which are yet to be developed in this country."

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“ Similarly as regards the Co-operative department, I have to say a few words; I shall reserve them for a future occasion. There is a great deal of dues pending collection. The department is topheavy. With 25 deputy registrars, 42 sub-deputy registrars and 500 senior and junior inspectors the department has become really unmanageable. Dues are filing up and now stand at the alarming figure of Rs. 400 lakhs. It behoves Government to pay attention to the reform of this department so as to make it possible for the collection of dues without much delay.”

* **MR. SAMI VENKATACHALAM CHETTI:**—“ Mr. President, Sir, I rise to represent my view of the Budget. In doing so, I consider it that I should be insincere if I compliment the Hon. the Finance Member on the presentation of this Budget. Sir, many speakers have referred to the great achievement the Hon. the Finance Member has performed by presenting what is called a surplus Budget, except my hon. Friend, Mr. Metherell, who, by complimenting the Hon. the Finance Member on the production of a surplus Budget, yet doubted in entirety the wisdom of surplus Budgets always. If I may make that doubt a little more clear, I should consider that a surplus Budget as such is not an achievement of which any Finance Member should feel himself proud. A surplus Budget will become an achievement when one is able to show a surplus after discharging all the compelling obligations which the Government have to fulfil. Under the present constitution of the Government, neither the Members of the Reserved Half nor the Ministers of the Transferred Half feel that they have a sense of responsibility to the country for the performance of any particular programme of work. As a matter of fact the tranquillity in the country on which the Hon. the Finance Member justly takes pleasure and with which I desire to join also, has become of such a character that far from its being a matter for complacency and satisfaction, it has been a source of creation of irresponsiveness on the part of the Government. If I can illustrate my point, as the agitation declined, there has been less of expenditure on nation-building departments. I shall make my point clear. As the agitation was increasing, whatever may be the nature of the manifestations of that agitation, there was a growing increase of expenditure on nation-building departments, on Education, Medicine, Agriculture and Industries and on Public Health. From the year 1930-31 when there has been a decline in the agitation, there has also been decline in the amounts allotted for these nation-building departments. Am I therefore to conclude that, unless there is that healthy corrective, of public opinion by way of agitation, on the Government, there is no just chance of the Government themselves being responsive to public opinion? No stronger evidence is necessary to prove this point than the memorandum of the Finance Secretary with regard to expenditure on the nation-building departments. Taking the year 1925-26 to be the year in which the agitation started, you will find that under irrigation there has been a growing increase in expenditure—87 lakhs in that year, then 97 lakhs, 99 lakhs, 104 lakhs, 114 lakhs and 111 lakhs in the year 1930-31. In the year 1930-31 the Government were no

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doubt able to suppress public opinion and demoralize public opinion by striking terror in the minds of the public not to agitate for the redress of legitimate grievances. The result is, while the discontent is submerged, the Government have also reduced their expenditure on the nation-building departments. You will find that the expenditure has been reduced from 114 lakhs to 95 lakhs in the next year. The same is the case with regard to Agriculture and Industries. It began with 49 lakhs, rose up to 73 lakhs in the year 1930-31. There has been decline from that year to 59 and 51 lakhs. The greatest decrease you will find in Education. It began with 188 lakhs, reached up the pitch of 304 lakhs in the year 1930-31. From that year it dwindled to 245 lakhs for the present year. So also with regard to Medical and Public Health. It began with 97 lakhs and reached 150 lakhs in the year 1930-31. Then it came down to 130 lakhs and it is kept up at the same level. It may be argued that this is not due to want of regard for public opinion but on account of decrease in income which the Government had from that year. If that be so, that decrease ought to be reflected not only in the Transferred departments but also in the Reserved departments. In this connexion the chart prepared by the Finance Secretary is very helpful. There are three channels of expenditure: one is entirely Transferred department; the other is entirely Reserved department and the third is both Reserved and Transferred departments combined. You will see from the chart that in the combined Reserved and Transferred departments there has been a decrease of $8\frac{1}{2}$ per cent—roughly speaking—in the expenditure. In the Reserved departments also there has been a decrease of 8 per cent—roughly speaking. But in the Transferred department the decrease has been 20 per cent. Therefore all that the Government might have saved on account of decrease in revenue has been made to be felt by the Transferred department while keeping up the level of expenditure on the Reserved departments at the old level. While one should certainly be pleased at the so-called peace that is prevailing in the country, one cannot help feeling that it is taken to mean by the Government erroneously that the people agree with the policy of the Government and the Government think they can afford to disregard public opinion. If the Government really feel that public tranquillity is now prevailing, there is no justification to keep up the high level of expenditure on Police. Either the Government are thinking that the present peace or tranquillity is only temporary and that it is likely to burst out any time on account of the continued neglect of public opinion; or they must be convinced that there is perfect tranquillity. If the former were the case, the Government cannot have the satisfaction that they have been able to bring about tranquillity in the country; if the latter were the case, the Government must see to the reduction of the expenditure on Police by at least half a crore.

“The Hon. the Finance Member has shed profuse tears on behalf of his over-worked, inadequately paid and self-sacrificing body of Government servants . . .”

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The Hon. Sir HOPETOUN STOKES:—"I never used any such epithets; they are those of the hon. Member himself."

MR. SAMI VENKATACHALAM CHETTI:—"He wants us to think that they are over-worked and inadequately paid. Where is the justification to keep up that level of salary they were paid when the level of prices was so high as 173, the index price of the year 1923? Taking 100 to be the price level in the year 1930, in the year 1923 it was 173. In the month of December 1933 it was only 89. The pay that is given to Government servants is at least two times of what they are entitled to. Why should they be paid on the level of prices reigning in the year 1923? There is absolutely no justification for such high scales of pay being maintained. There is no doubt the question of contract with regard to Government servants. But I should consider that the Government servant would not be so ungrateful as to stick to his scale of pay even in spite of the inconvenience and bad plight of the persons who have been feeding him all these years. It is surprising that persons of the rank of Mr. Appadurai Pillai who have eaten the salt of the land revenue assessee all these years, should say 'I am entitled to my pound of flesh whatever may be your distress.' In firms or private families, we can never come across a servant insisting upon his usual wages when his master is going to rack and ruin. Here is an instance. While the country is breaking down under financial crisis, there is the Government servant who says that he shall have his contract amount. I should like to see how long he will be in that very same position. I am sure that one time or another will come when he would be compelled to the necessity of reducing his salary."

"The circumstances in which our country is situated now, require that our Budget should be rehabilitated. As my Friend, Mr. Bashier Ahmed, asked 'what is the justification to take the revenue of this Province at such a high figure as 17 or 18 crores.' You must cut down your expenditure on the basis that your revenue will be 15 crores. Then we will be satisfied with the result."

"Much sympathy is shown to the future Government, and on behalf of those who may have to run the future Government. Let alone that Government; it will take care of itself. (Interruption by Mr. C. Basu Dev.) I did not purposely refer to the views of Mr. Basu Dev, because he talks insincerely . . ."

Rao Bahadur A. T. PANNIRSELVAM:—"Can the hon. Member say that another hon. Member is insincere in what he says?"

MR. SAMI VENKATACHALAM CHETTI:—"It is the duty of the hon. Member to say that he is sincere."

* The Hon. the PRESIDENT:—"It is left to every hon. Member to say that he is not insincere and to defend himself."

MR. SAMI VENKATACHALAM CHETTI:—"Sir, I am very sorry that the Hon. the Finance Member did not think it possible to give a larger reduction of assessment in the land revenue. Well, Sir, the case for the ryotwari tenant cannot be put more strongly than what has been

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done in this House often. You may call it an exuberance of eloquence, you may call it a howl from the hon. Members on the Opposition or from those who represent the constituencies, or you may say these are all tricks of the trade which have been adopted with a view to placate the constituencies—but whatever be the bad name that is given the demand is there. I think it is not only we who have said it; I think the Hon. the Revenue Member has admitted that there is considerable distress amongst the peasantry. Unless it is the intention of this Government to uproot the peasantry, there is no excuse for adhering to that decision which they have taken, to give a partial reduction of $12\frac{1}{2}$ per cent for wet lands and $6\frac{1}{4}$ per cent for dry lands.

"I have only one or two general remarks, Sir, to make. The first is the small provision made for Assembly elections. I do not know whether the Government desire that this Council should continue longer. I agree that from the point of view of the convenience to the Government, this Council perhaps is the best Council they have ever had; but the convenience of the Government ought not to be so much regarded as against the public opinion. It is desirable, Sir, that Provincial elections should be held at least this year and that we should know when the Government are prepared to run the elections. The chances of getting a Reformed Government are getting farther and farther, and it will be stifling representation of real public opinion in the country if the elections should be postponed *sine die* . . ."

* The Hon. the PRESIDENT:—"I think the hon. Member may take other opportunities to deal with other matters."

* Mr. J. A. DAVIS:—"Mr. President, Sir, I represent the Anglo-Indian point of view of the Budget. I was one of those who voted for a reduction of 25 per cent of the land assessment. After going fully into the details of the Budget I have modified my views. I think the Government in meeting us half way have treated the ryots generously. I have framed small Budgets and can appreciate the difficulties under which the Finance Member has framed his balanced Budget. I however appeal to him to render us all assistance in the matter of raising existing prices. The tea-planter has voluntarily submitted to restriction in the matter of tea production, and for the present extricated himself from a very critical position. I cannot see why the Madras Government does not take firm action in the matter of the restriction of the importation of Japanese and Siamese rice as well as the large quantities of foreign potatoes and apples that are flooding the market to the detriment of the agriculturists in this country. If the tea-planter without much difficulty can raise the price of India-produced tea, surely similar action in the matter of rice ought not to be beyond the reach of Government."

"Yesterday my hon. Friend, Mr. Bhatt, said that the Budget policy of the Madras Government was resulting in the wiping out of the middle classes, the agricultural classes. I maintain that there are circumstances that are calculated to wipe out a whole community—the Anglo-Indian community."

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“ Mr. Natesa Mudaliyar pictured hundreds of graduates and thousands of S.S.L.Cs. walking the streets of Madras unemployed.

“ How much more is this the case with the Anglo-Indian, taking into consideration the proportion of the community to the population. With much stinting and suffering and undergoing many hardships Anglo-Indian parents educate their children only to find that all the avenues of employment in which the community heretofore specialized are closed to them.

“ Even when a few Anglo-Indians are able to work themselves up to the top and possess all the necessary qualifications, the Madras Government is slow in giving them their due.

“ I am compelled to refer to the post of Inspector-General of Registration where the community's representations are met with the answer ‘ wait and see ’.

“ Again, Sir, when the question of the vacancy in the post of the Director of the Public Health came before this House a few years ago, the Ex-Minister for Education assured the House that Col. Webb was being put in to fill the post for a definite number of years in order that Major Hesterlow's claims would not be overlooked. The opportunity is now occurring, as Col. Webb is leaving this Presidency, and we are most anxious to see that an Anglo-Indian, who has all the qualifications and who has acted twice, is selected, as promised on the floor of this House.

“ Sir, it is my proud privilege to-day to thank the Governor-designate on the great help he has extended to the Anglo-Indian community in the matter of free education to poor Anglo-Indian girls, for notwithstanding the times of stress we have passed through he has had a sum of Rs. 40,000 budgeted for this purpose. I am thankful to him for this, but I regret to find that on the Nilgiris both the Breeks and the Hebron schools have been badly hit with the curtailment of their grants—so badly hit that they may not survive unless their grants are restored.

“ There is another direction in which the Anglo-Indian is not coming in for his dues. I refer to the military services. The Anglo-Indian has played a great part in the Military defence of the country. The Finance Member himself promised to represent our claims to the Government of India when the Madras Regiments were being disbanded. Now that Indian Brigades are being formed, I regret to find that Anglo-Indian claims are being altogether ignored. The Anglo-Indian forms the backbone of the Auxiliary Forces and his presence in India enables the Government to greatly reduce the number of British regiments that would be required for the defence of this country. His mere presence—to say nothing of military training—for a long period of years has saved the Government crores of rupees and yet he is not given a share in the paid defence forces of the country. I therefore once again appeal to the Madras Government to represent the cause of the Madras Anglo-Indian to the Government of India.

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"One other direction in which relief can be afforded to local bodies just now is by suspending the operations of the Motor Vehicle Taxation Act for a period of ten years. This Act ought never to have been passed. The proposed alleviative measures of taxing non-motor vehicles will be a failure and will hardly pay the expenses of collection.

"Yesterday Mr. Bhatt pictured the wiping out of the agricultural population. It seems that with a stroke of the pen our Excise Minister is going to wipe out 40,000 of these people on the Nilgiris. I refer to the partial prohibition that has been given to the Hill Tribes on the Nilgiris. From personal knowledge I can say that during the past ten years this measure has proved the salvation of the Badagas. They voluntarily gave up their legal rights and accepted that liquor shops should not serve them direct with liquor and as a community they have reaped the benefit.

"Now I learn that both the Collector and the Commissioner of Excise have informed the Minister that, unless possession of liquor by these people is made penal, the scheme cannot be worked. I warn the Minister of the consequences of allowing these people to have unrestricted drink. They are a people that cannot resist the temptation. Just because there are those who secure some drink surreptitiously the whole community ought not to be exposed to the dangers such a course will result in. Further if the Minister with the backing of a huge department cannot work this small temperance scheme, there will have to be a declaration that all attempts by the Madras Government in this direction throughout the Presidency are at an end."

* Mr. K. P. RAMAN MENON:—"Sir, in accordance with the convention, I congratulate the Hon. the Finance Member on the lucid Budget that he has introduced. It contains very forceful reasons in support of the position taken by him; but it is unsatisfactory from the point of view of the ordinary tax-payer. I wish to concentrate my attention on one question which is of importance, i.e., the question of land-tax remissions. The Hon. the Finance Member has made no earnest attempt to tackle that question. It cannot be said that prices are going to improve within the next ten or fifteen years. Looking to past events, one must predict that prices are not going to improve early. It is plain arithmetic to say that, if a man was getting Rs. 50 for his produce, say, ten years ago, now when prices have fallen by 50 per cent, he would be getting only Rs. 25. When that is so, to demand that the amount of tax which he has been paying hitherto should be paid now, is certainly iniquitous. If the prices have fallen by 50 per cent, where is the justification for reducing the tax only by $12\frac{1}{2}$ per cent? The demand has not been to reduce the tax by 50 per cent which is the ratio of the fall in prices, but it was only to reduce it by 25 per cent. Even that has not been done. I do not want to criticise the Finance Member for trying to justify his position with reference to pay-cut or with reference to the demands for Part II schemes and such other matters; but I want to say that if an earnest attempt had been made to explore every other source of revenue for covering

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the amount of land-tax to be sacrificed, certainly the Hon. the Finance Member would have been in a position to find out remedies to satisfy the public feeling. Has he done that? The Budget, as far as I can see, is a time-marking Budget. That is plain from the last portion of the Finance Member's speech where he says that Provincial Autonomy is coming; 'let us see that we are not handicapping our successors.' That gives the index of the Hon. the Finance Member's mind with reference to the Budget. That amounts simply to following the usual mamul. There are various sources of income pointed out by his predecessors, and those sources are to be continued; and there are also the expenses that are usually incurred; and they again find a place in this Budget. There is the end of the Budget and nothing more.

"Here again, may I take the liberty of putting forward some suggestions for finding out other sources of income and for supplementing the income of the Government. I would say, first of all, introduce, if possible, a duty upon agricultural incomes of say about Rs. 50,000 and more. So far as the income-tax is concerned, there is super-tax on inflated incomes. Why should not that principle be applied in the case of agricultural incomes also. The Hon. the Finance Member says that he is considering that, and so far as the poor pattadar is concerned, his income will not be materially affected by any remissions. This has been shown to be wrong by various hon. Members. I mention Rs. 50,000 as only a tentative figure. The Government is in a much better position to explore this matter by an inquiry and to find out what is the proper figure at which they can tap additional income; and if the Government do actually find out what exactly would be the figure that can be arrived at, they can tax such additional incomes and by that means large sums of money will come to the coffers of the Government. Here again, I anticipate the difficulty of taking incomes in rupees, annas and pies. I would suggest that returns to the income-tax officer be made in quantities of grain. There would be no difficulty in commuting this into money; because the income-tax officer has the assistance of his officers who can pick up the annual prices from the gazettes. Thus it can be easily found out which person has an income of more than Rs. 50,000 or less.

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"Then again, Sir, I would suggest the total abolition of the Settlement Department. What purpose does this Settlement Department now serve? I believe, the department was instituted, as I can gather, for two purposes. First of all, to have a complete list of the pattadars in the whole Presidency, so that the Government may be sure as to who are the persons that should pay revenue and the extent of the contribution that they have to make, secondly, to devise a scheme by which revenues will have to be increased as occasions arise. With reference to the first aspect of it, there is a complete record of all the pattadars in almost every district; and almost every district has now been settled. So, there is no further reason for retaining that department for this purpose also. With reference to the other purpose, that is the increase of revenue, that is based on a resolution of this Council.

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It has very often been mentioned by Government officers that increase is automatic depending upon prices in a certain number of non-famine years, subject to the maximum of $18\frac{3}{4}$ per cent. Why should there be an elaborate department to work out these figures. The department may well be abolished and according to the Budget, it will give us about 25 lakhs of rupees and this amount can be utilized for the relief of agriculture.

"Then again, Sir, I may suggest—I may be taken to be quite heterodox for this suggestion—why not introduce prohibition by way of monopoly in liquor altogether. As it stands, I learn, that there are five or six distilleries in the Presidency and all of them do make enormous profits out of liquor. There is, I know, already the preventive branch of the Abkari department which prevents illicit liquor from being manufactured. Why not take the sale of liquor also into the hands of Government and get the profits for themselves instead of allowing the profits to go to the persons who are taking it on contract from the Government or who sell liquor under licence. Again, Sir, this will also afford some solution for unemployment. By this means, persons who have no employment can be employed by Government in these occupations. That will be another source of relief to the persons concerned.

"I put forward these suggestions for the consideration of the Government. I do not know if, as a matter of fact, with reference to the Excise Department, anything has been done in this direction, and whether any consideration has been bestowed upon this aspect of the question that if you want to prevent illicit consumption of liquor, it is for Government to interfere and see that no one else except the persons authorized by Government—nay, even a Government servant, be he a petty clerk or vendor—do such work and that it is done only through the agency of Government and not through anybody else. It will of course be easier for the officers sitting on the Treasury Benches to find out other sources of income, which can be taken up to supplement any loss that might arise from sacrificing land tax. But, the fact remains that no effort has been made to tackle this question. They seem to be not convinced that there is real necessity for relief. Notwithstanding all the speeches in the Legislative Council, all the speeches elsewhere made at meetings held almost in every district in the Presidency, notwithstanding the glaring fact contained in the reports from various Collectors stating that prices have fallen to an enormous extent, Government do not seem to be convinced that the landholder requires relief. If, on the other hand, Government is convinced, it is left to the Government to see that he is given relief and to find out other sources by which they can supplement their income which they have to sacrifice on account of the landholder."

* Mr. T. S. RAMASWAMI AYYAR:—"Mr. President, Sir, I would like to characterize the present year's Budget as a safety-first Budget. It is rightly so in view of the economic conditions that prevail all over

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the world. The Government has played for safety first with regard to itself, then with regard to its servants and, to some extent, with regard to the tax-payers. Though there may be a difference of opinion between the Government and the non-official Members of this House with regard to the relief given to the tax-payer, yet some relief has been given and Government has, to that extent, given protection to the tax-payer.

“ With regard to the position taken up by the Government regarding its own administration, it is but right that the Government should try to have good credit. Government has been able to show that its credit is high and for the current year there is no need to borrow. The Government has gone to the extent of even meeting the expenditure chargeable to capital from its balances. One good feature in the present Budget is the change that has been made as regards the head under which Government spends moneys for remunerative enterprises. Till recently Government was spending money out of current revenues. This House has more than once told the Government that it is not good budgeting to spend money for what may be called capital expenditure out of current revenues. The Government must be thanked for accepting that suggestion of this House and spending money on items of capital expenditure from the balances instead of from current revenues. Though Government is afraid that if this goes on and further expenditure is entailed and there is less income there may be need for raising loans, yet, as I said, the need for raising loans does not seem to be urgent so far as the Madras Government is concerned. Its credit is high and thanks to the reduction in interest charges on the loans that are now outstanding, some relief has been obtained by the Government and this has also been passed on to the local bodies. As a matter of fact, we find from the present Budget that a sum of about two lakhs of rupees has to be afforded as relief to the local bodies in respect of loans taken by them from the Government. Government has thus budgeted for safety for the local bodies by reducing their interest charges. To that extent, the local bodies are benefited, but the question that arises on an occasion like this is, has the Government gone to the length to which it could have gone with regard to the reduction of interest charges on their loans? I do not know if the Government of Madras could not itself under the Provincial Loans Rules raise loans in the open market. If I am not mistaken, the Punjab Government was able to raise such a loan. I feel confident that with the credit that the Madras Government commands to-day it would be possible for them to raise loans at even a cheaper rate of interest than by having transactions with the Government of India. It may be possible, I think, with the Bank of England rate at 2 per cent and the Imperial Bank rate at 3 per cent for Government to get money at least at about $3\frac{1}{2}$ per cent or so. This relief would not only help the Government in strengthening its Budget, but it would also help the local bodies who look to the Government for help in the matter of their loans. When on the subject of local bodies, I desire to throw out a suggestion for what it is worth, namely, that Government should hereafter at least try to pursue a policy of making

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the local bodies autonomous in regard to both taxation and expenditure within their area, instead of their being asked to look to Government now and then for grants. They should be given facilities to raise taxes and Government may allow a larger amount of cess being raised by local bodies. The deletion of the condition fixing a maximum rate of taxation may be thought of, though that will mean unpopularity to the local bodies. It will however teach them to be responsible for taxation. Government should certainly give them more sources of taxation. A greater portion of the land revenue may be allotted to the local bodies than the allotment of one anna or so that is now given. I said, the Government has played for safety for itself and for the local bodies under it. Government has also, I note, gone in for the safety of their servants.

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“ The House when it accepted the adoption of a cut in the pay of salaries it did certainly mean that such a cut should be considered only as an emergency measure. No House which holds itself out as a responsible public body with whom other people enter to contracts can say that the sanctity of contracts need not be observed. But the question is, has the emergency which arose two or three years ago passed? On that question there seems to be a difference of opinion. The official version is that the emergency has passed in view of the fact that there is a surplus budget and there is also money provided for Part II schemes. But in arguing on a position like this, mere figures cannot give us much help. As the Budget provides for a surplus, certainly we can say the emergency has passed. But if it is considered that the protection needed for the agriculturists must be greater, then the emergency should be considered to exist. But there is one feature which is to be observed in a matter like this.”

* The Hon. the PRESIDENT:—“ The hon. the Member has exceeded his time.”

* Mr. T. S. RAMASWAMI AYYAR:—“ I won't take more than two or three minutes more, Sir. The Government having once removed the cut, it will be difficult for them again to impose it. I therefore feel that a case has not been made for a cut in salaries. Now, going into the question of the safety given to the tax-payer, has the tax-payer been given protection? Certainly to some extent he has been given relief and as I said on that point, again the difference between the official and the non-official opinion is that the protection afforded is not enough. If Government had only accepted the Finance Committee's recommendation, I feel confident that the House would not have pressed on Government the need for a larger remission. I would even now appeal to the Government to consider whether it will not be possible for them to give effect to the recommendations of the Finance Committee with regard to remission. The agriculturist could also be given help in other directions, for example, in the matter of irrigation and drainage facilities. I am glad the Hon. the Revenue Member has given effect to certain recommendations of the Cauvery Committee, but there are

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other recommendations also which are awaiting orders, and I feel confident that it will be possible in the coming years for the Government to give effect to such recommendations.

"I also request the Government to look to the Tank Restoration Scheme. The Tank Restoration Scheme has been given up for some time. But now that we feel that the agriculturists need relief, the Government should start the Tank Restoration Scheme again. For one thing, it will bring in more revenue and for another, it will relieve unemployment, and again it will also help the agriculturist to raise better crops. And I would also request the Government to expedite the Tungabhadra Scheme.

"One other point to which I desire to refer during this discussion is that the rules regarding the administration of the famine relief fund should be changed. When there were floods in 1924 the Indian Famine Relief Trust was asked for help, the first construction that was put by the trustees of the Famine Relief Trust at Delhi was that the amounts from the famine relief fund could not be given to give relief when there was distress caused by floods. But later on when the construction was suggested that the Trust could give relief when the effect of the floods was to cause famine conditions, the Famine Relief Trust gave a lakh and a quarter for relief in 1924. When that is so, Sir, I do not see what reason there is to prevent the Madras Famine Relief Fund being utilized when there is a cyclone or when there are floods, as happened in South Arcot, Tanjore and Godavari districts.

"Then again, Sir, as regards the change of crops that may be helpful to the agriculturists, I think sugarcane can be tried, but I am sorry to note that it is classified as a dufassal crop and instead of making the agriculturist take to sugarcane as a change we find that the Government is really hampering it because it is now classed as a dufassal crop and the charges are higher when a person raises sugarcane than when he raises paddy.

"As regards marketing facilities, I am glad to note that the Government intends appointing a marketing committee with an officer to help it. There are also other ways of helping the agriculturists but as time is short I am not able to refer to them now. Only one word before I sit down. The Government should find out how far we are getting our money's worth for the money spent on Elementary Education."

* Mr. W. K. M. LANGLEY:—"Sir, I want just to make a few observations on the Budget that has been presented by the Hon. the Finance Member. I think my congratulations are first due to the taxpayer who has made this excellent Budget possible. Then again, I should like to offer my congratulations to the Finance Department for the exceedingly lucid statements which they have prepared and which are found in the Budget Memorandum which has made everything exceedingly clear to a layman like myself.

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"Now, Sir, looking through the figures relating to revenue in the first place, it seems to me that the revenue of this Province is singularly inelastic, and it also seems to me that there is very little prospect of increasing that revenue in any respect. If one looks through this Budget Memorandum, one must notice that the receipts under practically all heads of revenue have been exceedingly steady for the last ten years, with the exception of excise which has been rising and falling, and if Members on this side are to have their way, we cannot expect excise to rise much in the future. Consequently, it seems to me that any Finance Member must be faced with considerable difficulties in framing any policy for the future by the fact that the revenue of this Province is so inelastic. It therefore seems to me that one must look rather on the expenditure side and see what can be saved from what seems to be in many cases unnecessary expenditure, to provide interest and other charges on such expenditure as is in my opinion absolutely necessary in order to carry out the policy which the Hon. the Revenue Member has in view of assisting agriculture and agriculturists in every way possible, to improve markets and improve prices of produce. It is on that improvement in prices depends entirely the continuance of the ryots' position and the strength of the land revenue itself.

"Now, Sir, one hears a lot about the nation-building departments. These departments are used as a stalking horse on both sides of the House and arguments of every kind are based thereon. I confess I should like to know more clearly exactly what these nation-building departments are that it is considered so essential to preserve and increase. I grant that education is one such department, though it is a matter for investigation whether one is getting full value for the money it costs at present. I also grant that services like public health come under its scope. But there are some other departments which seem to be growing which, it seems to me, far from being nation-building may not be of any value whatever. I do not know if Government attach any importance to the Fisheries Department. It seems to me that the Fisheries Department might be swept away to-morrow without anybody being the worse for it. In the same way, on going through the administration report of the Department of Industries—I suppose that is a nation-building department—I confess I do not see that it builds a nation or anything else. It seems to me that that also might be swept away without loss to anybody. Minor items like pumping and boring establishments, etc., might be transferred to some other department.

"The Agricultural Department is not, I feel, giving us value for the money spent upon it. I do not know if Government attach any particular importance to the Agricultural Department? I observe they make no answer to this question. The Director of Agriculture spent several months of last year not on his legitimate work but on simply registering a silent vote in the Assembly on behalf of the Madras Government. (An hon. Member:—"It was not the Director of Agriculture.") I am glad to be told that it was not the Director of

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Agriculture who was doing that, and that he is looking after his department exceedingly well. I apologise for my mistake. Nevertheless, I do feel that having regard to the policy of the Hon. the Revenue Member of improving in every possible way the condition of the agriculturist, it is of great importance to increase the efficiency of the Agricultural Department. Yet I notice in the details of the Agricultural Department's expenditure only a lakh or so is spent on the live-stock department. From this one is almost led to think that Government cannot be serious in their intentions of improving agriculture, because it is notorious at the present moment, that the only way to improve agriculture is not to depend only on the main crops which have been yielding less and less, but on the other hand to grow more and more of other crops in order to make the country self-supporting and to encourage the agriculturist in developing other lines of a really useful nature. In most countries the utmost importance is attached to livestock and to the products which attaches to that particular branch of agricultural industry. It seems to me that spending only one lakh on that particular department and incidentally keeping it under the Department of Agriculture is altogether wrong. Surely that department should be put under the Veterinary Department and not under the Department of Agriculture which is more concerned with crops than with the improvement of livestock which must at this stage any way in this country be the concern of the expert veterinary man.

"Now, coming to the speech of the Hon. the Finance Member, I confess I was rather disappointed that he has given us such little lead on the question of how general improvement is to be effected which would make the maintenance of land revenue possible. He said in his speech that people look to Government to a very large extent in almost every form of human endeavour in this country. Well, Sir, that unfortunately is the case and we therefore are looking to him to indicate in what way we can get over the extremely serious situation which has been created by the general state of depression.

"Even on the question of depression and the possibility of improvement, I find some difficulty in following the Hon. the Finance Member; because in paragraph 2 he talks more or less in optimistic terms. But his optimism seems to be based mostly on the improvement in the tea industry. But the fact is if there is any improvement in tea it is due to the industry itself and not to Government. He also refers to the possible improvement in the rubber industry. For similar reasons, if any improvement comes about in the rubber industry, it will be due to the industry itself. He also remarked that the recent negotiations with Japan would improve the prospects of the cotton industry. I am very much afraid that unless the Madras Government takes a strong line with the Government of India, the improvement so far as this Presidency is concerned will be illusory. It is admitted that the agreement with Japan affects mainly the weaving mills in Ahmedabad and Bombay and elsewhere, whereas most of the mills in this Presidency,

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turn out only yarn and not piecegoods. I would remind the House that the mills in Southern India supply the essential needs of the handloom weaver yet these mills under this convention with Japan seem to have been left entirely out of consideration. It is therefore of the utmost importance that the Madras Government should see that whatever arrangements the Government of India effect with Japan, in the interests of the cotton industry, the interests of the spinning mills in the Madras Presidency should not be overlooked. Well, in this paragraph, the Hon. the Finance Member is almost optimistic. But when we come later to paragraph 23 on the question of land revenue, he seems to have decided that no one can possibly say whether the depression will lift or not. That seems to me rather a deplorable attitude, if I may say so, with the utmost respect, as it seems to me that the Hon. the Finance Member is the first man in this Presidency to whom we should look to give us a lead in order to assist us out of this serious depression. I do not know whether his intention is to sit tight and do nothing. I quite agree with him in his remark that when the existing balances are used up, we will be reduced to a state of stagnation. But even if we sit tight and do nothing, we are already in a state of semi-stagnation. It is therefore necessary to try and improve the situation if even the present yield of land revenue is to be preserved. And in this connexion I should like to make my position quite plain. I see that the Hon. the Finance Member says in paragraph 24 of his speech: 'It is obvious that no remission of taxation which this Government can contemplate will afford a remedy for the low prices of which we complain.' I absolutely agree with that statement. I admit that I spoke last year on behalf of the remission of the land revenue and I have done the same thing in the current year. But I recognize as clearly as the Hon. the Finance Member does and as clearly as most Members of this House no doubt do, that these remissions are entirely palliatives. It is like giving some temporary relief to a patient suffering from some extremely serious organic disease. It is not sufficient to relieve the pain temporarily, and you must discover the root cause of disease and how it can be remedied. In this respect, we have got the assurance of the Hon. the Revenue Member the other day when he said that he will do his utmost to improve the marketing of agricultural products. How is it to be done? It seems to me that an extremely bold policy is required. Although this Province seems to be in a happy position of being largely self-contained, I do not suggest that we should blindly follow Mr. Roosevelt. But if Mr. Roosevelt were sitting in the place of the Finance Member at present, I think that some very considerable steps would be taken. The only means of improving the condition of this Province is the improvement of the condition of agriculture. It seems to me, apart from such suggestions as I have already mentioned, such as the improvement of livestock and other improvements to agriculture, the main means of improving communications by which produce, more particularly rice, improving communications by which produce, more particularly rice, can be carried cheaply from market to market. I maintain, Sir,

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that a very bold policy of public works and mainly of the improvement of communications in all parts will do more to assist agriculture in this Province than probably any other means which are likely to commend themselves to the Hon. Members on the Benches opposite. Take the simple case of a section of my own constituency, which is on the borders of Travancore. It has been urging for a long time the improvement of the Kambam road which forms the main important connexion between Travancore and this Presidency. Enormous quantities of produce go or would go up and down that. Now, if that road is improved and kept in proper order, the interests of this Province will be increased. Peermade imports from the West Coast large quantities of rice. They can very well obtain their rice from the other side and if they have proper communications they will naturally do so. I claim therefore that we can very well afford a really bold policy in this Province, and that we ought to take the risk of spending the whole of the accumulated balances and, if necessary, borrow two crores more, if need be, towards putting the communications of this Province into absolutely perfect condition. If that were done, I feel convinced nothing would so much contribute towards the benefit of agriculturist in this Province. It is all very well for the Hon. the Finance Member to say that we may be getting self-government shortly and that he wishes to hand over to his heir a large balance of accumulated cash. I believe that the general experience is that, when the heir comes into possession of his property and at the same time finds a very very large sum of accumulated cash, he usually plays ducks and drakes with the cash, and very soon mortgages the property. (Laughter.) It seems to me that the Hon. the Finance Member is adopting what may be an unkind attitude towards his heir. It will be very much more to his benefit if he were to hand over the inheritance in due course, not with a large sum of accumulated cash but an estate in a condition of perfect order." (Hear! Hear!)

* Mr. K. KESAVARAMAMURTI NAYUDU:—"Sir, the Hon. the Finance Member deserves the congratulations of the House for the able, clear and balanced Budget he has presented. It is said that the Provincial balances would be swallowed up if land revenue remissions to the extent of 25 per cent are given for a period of three more years. The depletion, as has been observed by some of the previous speakers, is largely due to the fact that investments on Remunerative Capital works which ought to have been met by loans, are met from the reserve balances and the Government will however recover the amount with interest in course of time. Everyone has expected that the Government would accept the recommendations of the Finance Committee and grant to the ryots of the districts resettled after 1919 a remission of 18 $\frac{3}{4}$ per cent, as boom prices went into the calculation of commutative rates. The produce market is stagnant at a low level and paddy is now selling at Rs. 2-6-0 per bag of 166 lb. in East Godavari district. The ryot is not able to meet even the cultivation expenses and his indebtedness is growing year after year. The Government say that, though they are entitled to 50

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per cent of the net yield, what they collect from the ryots by way of kist, falls much short of it. That might have been the case when a bag of paddy was selling at Rs. 6-8-0. What the Government are now collecting amounts to more than cent per cent of the net yield. When extraordinary conditions have arisen, the Government have to resort to extraordinary measures to alleviate the distress of the agriculturist. The present economic depression may be temporary and may pass off shortly. Till then the Government ought to reimpose at least 5 per cent salary cut which will not materially affect the assured competence of the Government servants, on account of the great fall in the price of foodstuffs and other necessities of life and the consequent rise in the purchasing power of money. What will accrue by means of cut in the salaries will in a way compensate the loss the Government may sustain, if they give 18½ per cent remission in the recently resettled districts.

“Coming to my district of East Godavari, the floods of last year caused great havoc to the crops. The water remained stationary for about twenty days or more on the lands. Some of the lankas were eroded and in some sand was deposited rendering cultivation impossible. All the lanka crops, like chillies, cholam, varagu and tobacco, suffered greatly and pests came in to complete the work of destruction begun by the floods. The tobacco is very poor in quality and yield, and the tobacco market has gone down by 50 per cent. The plantain crops also have suffered badly. I request the Hon. the Revenue Member to consider the case of the lanka ryots with utmost sympathy this year and grant full remissions in cases where the crops were completely destroyed and 50 per cent remission in cases where there was a partial damage and collect the remaining portion of the kist in four instalments as they have requested in their petitions.

“On account of these floods, the lands of Neelapalle, Tallarevu, and Coringa will be submerged almost every year and the crops will be destroyed. The ryots of these villages have held conferences and passed resolutions urging upon the Government the necessity of bunding up at the Ganam bridge till a lock is constructed, the Coringa canal which inundates all the surrounding lands. The Government will have to correspond with the French Government and arrive at some kind of solution regarding this matter in the interests of the ryots owning lands in that area. The Hon. the Revenue Member said last year that the idea of Coringa Island project had not been dropped and that the Government were investigating into the question. I learn that the estimates were also prepared and I do not know where the matter now stands. The ryots of the Polavaram Island also are subject to the same disabilities during the time of floods. I hope that the Government would see that the protective flood bank would be completed this year so that the lands would not get submerged as has been the case till last year. The highest yield per acre in Polavaram Island is about six bags whereas the average yield does not exceed four bags. This yield per

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acre, at the price now prevailing, fetches about Rs. 10 and the water-rate is Rs. 10-8-0 per acre. The ryots are being put to heavy loss on account of floods and high rate of assessment and unless the Government reduces the rate till the produce market shows improvement, the ryots are likely to abandon cultivation operations altogether in the island."

* Mr. K. KOTI REDDI:—" Mr. President, during my fairly long experience in this Council, it has never fallen to my lot to congratulate any Finance Member. It has almost become second nature with me, and for very good reasons, to hate Finance Members. They are very cautious and always look to the interests of the future generations to the neglect of the interests of the present generation. I believe their attitude will become worse if congratulations are showered on them in plenty. There is nothing in this year's Budget to make me depart from my usual practice.

" Sir, if there is a time when the imagination and the foresight of the Finance Member should find scope for useful activities for improving the conditions in this Province, it is now. We are passing through very bad times. There is everywhere depression affecting most severely, the one class of people on whose prosperity the whole machinery of the Government depends, and that is the ryots. Though I am not ungrateful for what little the Government have been able to do to the ryot in the way of a small concession in land revenue, I must say that the conditions call for a much more generous measure of relief. We heard the Hon. Member saying that the concession, if granted, was likely to benefit the rich pattadars, but not the small poor pattadars. When we last discussed about this question, I threw out a suggestion to the Government anticipating this argument, that no ryot who pays more than Rs. 50 land revenue need be shown any concession, provided the Government are prepared to remit the entire revenue due from small pattadars or at least give remission to a very large extent in their case. If what the Hon. the Finance Member says is true, he could have ventured to take that step of giving larger measure of support to the smaller pattadars. He has not done so. Therefore, to say that the small pattadar would not be benefited by the remission is only an excuse for not doing anything to anybody. As the time at my disposal is short, I do not want to dwell on this at greater length on this occasion.

" Sir, the practice of utilizing the current revenues for remunerative capital works is highly objectionable and this has, again and again on previous occasions, been brought to the notice of the Hon. the Finance Member. This practice only means depriving the present generation of the benefits of their moneys for the sake of future generations. It is equally wrong to start remunerative capital works with revenue balances. Remunerative enterprises should not be met either from current revenues or from the revenue balance which are after all, revenues accumulated from year to year, but should be provided for from loan funds. Hydro or other electric schemes, irrigation works and so on which are considered to be remunerative should, as a rule, be met

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from loan funds. In the case of residential buildings for officers for which rent is charged also, though they are not exactly on the same level as remunerative schemes referred to above, it is objectionable to utilize current revenues. In their case too, the present ought not to be made to suffer for the future. In the case of buildings necessary for the officers of Government, I do not see why the funds necessary for the purpose should not be spread over a series of years though met from revenues. I do not see why the present should be made to meet the entire burden. In these directions I hope the Government will change their policy of spending from current revenues and revenue balances.

"I agree with my hon. Friend, Mr. Matherell, that the Government have shown no imagination at a time when it is required in a very large measure. In this period of unexampled depression, labour and materials are cheap and rate of interest is low. It is at this time that the Government ought to embark on large schemes of expenditure on capital works. With abundance of labour including skilled labour available at low rates, when the cost of material is cheap and borrowing is advantageous, it is the duty of the Government to embark on big schemes of electricity development, irrigation works and so on. Most of our elementary schools are not housed decently. At a time like this, the Government ought to launch a scheme for the construction of school buildings for elementary schools. On this and similar unremunerative capital schemes our accumulated balances can be usefully spent. You are not doing any of these things, but by utilizing revenue balances on capital remunerative works, you are sacrificing the present for the sake of the future, while there is so much need for the present.

"Sir, there is one point on which I may be considered a bit hard. Sir, there was a time when this Government came forward with proposals for increasing the salaries of Government officials. In view of the fact that the price of foodstuffs and other necessities of life was high, we agreed to the increase without any demur. In those days officials with fixed salaries found it hard compared to non-officials. I remember the circumstance when a certain high-placed official expressed he could not afford a car like the one I had. Now it is different. The tables are turned. The fall in prices, has, though it has ruined the masses, enabled the official to live comfortably and some of them luxuriously. Sir, the price of necessities of life has gone down very much. Ghee, to take one instance, which was selling at about Rs. 3 or more per viss, is now available for one rupee or a little more. So with regard to rice, etc. When the necessities of life are so cheap, I am surprised at the Hon. the Finance Member coming forward and saying that in the interests of efficiency and honesty, no reduction should be made in the salaries of Government servants. Sir, is it not wrong on his part not to agree to a cut in the salaries of Government servants at a time like this, seeing that this Council was once generous in granting increased salaries to them when they needed it without regard to the scale of pay when they entered service. The Government should, if the economic conditions do not improve, be willing even to reduce permanently

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the salaries of its servants. I once suggested that the pay of Government officials ought not to be a fixed one, but that it ought to be on a sliding scale based on the prices of necessities of life."

* The Hon. the PRESIDENT:—"The hon. Member may resume his seat."

"The House will now adjourn and meet again at 2-30 p.m."

After Lunch (2-35 p.m.)

Mr. K. KOTI REDDI:—"Can I continue my speech, Sir?"

* The Hon. the PRESIDENT:—"The hon. Member cannot continue his speech."

Mr. K. KOTI REDDI:—"This is the disadvantage of not being a leader of any party"

* The Hon. the PRESIDENT:—"I am yet to learn that the hon. Member belongs to any party."

* Mr. R. M. PALAT:—"I want first of all to impress upon the Government the unwisdom of utilizing revenue balances for capital expenditure. It will be remembered that the balances are the result of accumulation of huge surpluses in 1927-28 and the two succeeding years, to the tune of one crore and odd. That indicates to what extraordinary degree the policy of overbudgeting for expenditure was systematically practised in those years. That yearly surplus is a definite measure of the overtaxation to which the people of this Presidency have been put and to which they submitted themselves under stress of post-war diminution of revenue leading to extra taxation under Registration, Stamp, Court-fees, and above all the high land revenues reaching its height in the last resettlement. These revenue balances in the first place ought not to have been accumulated at the cost of superfluous and unnecessary taxation and in the second place ought not to be fettered away except for current expenditure purposes. The policy of meeting capital expenditure from current revenues is extremely vicious and this, at a time when interest rates have touched rock-bottom and investment money is going a begging, is surely unpardonable. The Hon. the Finance Member in doing so is committing a double sin, first by accumulating unnecessary surpluses by resorting to unnecessary taxation and then spending the money realized therefrom on productive capital works which should be rightly met from borrowed funds. The greater is the pity when you consider that the Hon. the Finance Member will not only spend 89 lakhs during 1934-35 besides considerable sums in current and previous years but also congratulates himself on the policy of not using borrowed money until he sees the last of these inconvenient balances. The Hon. the Finance Member has, moreover, shown great dexterity in converting deficits into surpluses by the simple device of transferring to their proper place items of productive capital expenditure which he had last year so comfortably and so conscientiously placed in the Revenue accounts."

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“ Another important point to which the Hon. the Finance Member has not given sufficient attention is the need for further reduction in land revenue. In his Budget Speech he has stated that it is inadvisable to have further cuts in salaries, or putting it another way, further income-tax on salaries. I will now point out how the incidence of taxation falls on the agricultural classes and those who derive money from non-agricultural resources. A person who gets just below Rs. 2,000 a year or roughly Rs. 165 per month or Rs. 1,980 per year, pays an income-tax of Rs. 3-7-0 a month or Rs. 41-4-0 per annum. Sir, to get Rs. 1,980 a year as net income from land in Malabar, there should be the minimum net income of 3,960 paras of paddy, if one takes the price of paddy at Rs. 2 per para, and on this land according to the settlement, the landholder pays an assessment of Rs. 400 per year, whereas a person who gets this income from non-agricultural sources pays only Rs. 41-4-0. Therefore the incidence of taxation on agriculture is very nearly ten times more than that on the non-agricultural income. Persons who get below Rs. 2,000 a year do not pay super-tax. Now I will take the case of a person getting more than Rs. 2,000 per annum. Supposing a person who gets Rs. 2,000 per mensem submits himself to a 5 per cent cut, he gets Rs. 22,800 per annum and he pays a tax, including super-tax, of only Rs. 2,820 per annum. To produce the same income from paddy land in Malabar, a man has to pay an assessment of Rs. 7,000 (seven thousand). That is to get a net income of Rs. 22,800 per annum from land, he should get 45,600 paras of paddy net, again taking 2 paras per rupee which is above the current market rate. Land yielding 45,600 paras of paddy will roughly have to pay at least Rs. 7,000 in assessment. As you go higher, the incidence of taxation on the non-agricultural incomes and agricultural income approximate. So in these circumstances, it would not be fair to add any more burden to the land-owner by way of taxation, considering that people in this country deriving their income from non-agricultural sources do not pay anything like their share of contribution to the State, or conversely the agriculturist is overtaxed, particularly the small-income man, when compared to the non-agriculturist.

“ Sir, the Hon. the Revenue Member wanted suggestions as to how the prices of produce could be controlled. The other day I read that in Japan the State has fixed the price for the paddy and that it has agreed to purchase paddy at that rate from the producer. Again, Sir, in some European countries—I believe it is in Denmark—the State, instead of reducing the assessment, gives temporary loans or remissions to agriculturists, which is in effect a decrease in the assessment without technically reducing the assessment. Our Province should also investigate what the rice-producing countries and other countries mainly living on agriculture do, to meet the present fall in prices either by purchasing the agricultural produce at a fixed rate and then trying to sell it or setting up commissions to find out how to utilize it, as they do in Japan, or giving back the assessment in the shape of grants or by other means. They could do something of that sort here. Some remedy may be found.

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“Sir, I will speak more on the agricultural income when we reach the Agricultural Demand.”

* Sriman M. G. PATNAIK Mahasayo:—“Mr. President, Sir, both the speech of the Hon. the Finance Member and the Budget itself show that the principle on which the Budget is based is that the people exist for the Government and not the Government for the people. That is the fundamental defect of the Budget. The Hon. the Finance Member says: ‘Unless this amount is found somehow, I will not be able to carry on the Government.’ But he never addressed himself to the question whether the people are capable of paying the taxes demanded of them. But anyone whose concern it is to look to the interests of the people should ask oneself this question first. That, as I said, is the first fundamental defect with the Budget before us.”

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“The second defect is this. The Hon. the Finance Member in his speech says that the clouds of economic depression are lifting. But he does not explain how. He only refers to some improvement in the tea trade and in the sugar industry. But not a word is to be found about the staple crop—paddy. He must show how the clouds are lifting so far as this important staple crop is concerned. For, unless this happens, how is he going to realize the land revenue? If the ryots cannot get a market for their paddy in South India, the Government cannot get any money from them. Of course, if tea fetches a higher price, the planters will profit by it; if the sugar industry thrives, the people engaged in that industry will be benefited. But what about paddy? That is the question and that has never been dealt with. Therefore from the point of view of this important question, the Budget is most unsatisfactory. Neither the Budget nor the speech introducing it, deals with this question at all. When there is no prospect of the people being able to get better prices for their paddy, how can the Government expect them to pay their revenue? The assessments were based on certain data which showed that the people could pay the assessment at that time; but how can they pay it now? The question is by how much the assessment should be reduced. The Hon. the Finance Member never considers that question. Only a moderate demand is made to reduce the assessment, that is, by 25 per cent, but the Government grant only 12½ per cent remission which is quite inadequate. But the Raja of Parlakimedi says that it is a blunder to grant even that remission. I do not agree with him at all. He is under a misapprehension. Of course, when remissions are granted with reference to failure of crops, officers in the lower grade might play some mischief. They might report that there was only an one-anna crop or a two-anna crop and recommend remissions and share the remitted amount with the ryots. But here there is no such possibility. As the conditions affect the whole Presidency and are well known to everybody, no enquiry is necessary. Therefore, there is no fear of any remission granted by Government not reaching the ryot himself. The Raja of Parlakimedi is entirely wrong in thinking that it is a blunder to give this remission.”

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"The Hon. the Finance Member has also observed in his speech that the remission would not benefit the small pattadar so much as the big pattadar. The Government try to create a distinction between the big pattadar and the small pattadar. The big pattadars are carrying on this agitation and the Hon. the Finance Member has tried to show that they carry on this agitation more for their own benefit than for the benefit of the small pattadars. The actual amount remitted in the case of the small pattadar may not be much, but all the same, they will be benefited to some extent. Probably the big pattadars may get a larger amount. The Hon. the Finance Member has said that if remission is granted, the small pattadar will suffer in the matter of schools for his children, repairs to his irrigation channels and so on. Well, Sir, I ask: How can the small pattadar send his son to school when he cannot live in the first instance? What is the use of education, if a man cannot live? What is the good of saying to the ryot: I shall educate your children; you pay the full amount of land revenue. The Government want half the net produce. If so, let them take half the paddy and relieve the ryot. He will be very glad. On the other hand they ask him to pay in cash. The ryot goes to the sowcar, but the sowcar would not lend him money on the security of his land because the price of land has fallen. In this way, the lot of the ryot is very miserable.

"If conditions are so bad as I have described in the ryotwari tracts, they are worse in the zamindari areas. It is very unfortunate that the Hon. the Revenue Member should not have introduced a Bill till now for giving relief to the ryots in the zamindari areas. Even though the representatives of the zamindars and the tenants agreed upon a certain formula as to reductions in rent in proportion to the fall in prices, it is rather unfortunate that the Hon. the Revenue Member has not given effect to the agreement. He has not tried to follow his illustrious predecessor, Mr. G. S. Forbes, even at a distance.

"The fall in revenue under Stamps and Registration goes to show that the ryots are not able to lend or borrow money. All these transactions have been reduced. Even the sowcar does not care to sue on his mortgage bonds, for, even if he files suits, he cannot get anything more than the ryot's land and that too after a great deal of delay and expense. So what he does is this: he induces the debtor to give up his land and gives him some more money. Naturally, if things go on as they do at present, there will be a further fall in such transactions as they contribute to incomes under Stamp and Registration. Registration is a commercial department and people now go to the registration office mainly for the adjustment of old transactions. There are very few new transactions, because there is no money either to lend or to borrow. I submit, Sir, that the Hon. the Finance Member should have addressed himself to this aspect of the question. As it is, there is no meaning in so many hon. Members congratulating the Hon. the Finance Member in the customary and conventional manner on having produced a balanced Budget. Why, anybody can balance the Budget if he is allowed to

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have his own way without any regard to the condition of the ryots and regard is had only for the officials.

“ With regard to the pay cut, I really cannot understand why there should be no cut now. The salaries were raised after the war when there was a big rise in prices. I do not see any reason why they should not be reduced to the pre-war level. That question has not been answered by the Hon. the Finance Member. When there has been a fall in the price of foodstuffs, and in the cost of living, I do not see why the salaries should not be reduced, especially in the case of people in receipt of bigger salaries. The Hon. the Finance Member merely says that the Government gave a pledge to their servants. That is, of course, the question of prestige, bureaucratic prestige. It is mere prestige that governs the speech of the Hon. the Finance Member and not any sound principle of economics. He does not consider whether the Government can afford to pay the high salaries fixed at a time of high prices when the country was in a prosperous condition.

“ Before I close, I want to say a word or two about the Ganjam district and the Oriyas. I must, of course, refer to Ghumsur also. I represented to the Hon. the Revenue Member several times that his own principle should be adopted in the matter of collecting the kist, namely, that it should be collected after the harvest. Apparently he is satisfied with the report from the Collector to the effect that kist is being collected without difficulty and that no such relief need be given. Well, the Collector does not understand that Oriyas are not the people who can carry on any agitation. Indirectly the Collector and the Hon. the Revenue Member are forcing the Oriya people to carry on an agitation, so that they can give sufficient work to the Police in the district. For that is what it comes to. Till now, somehow or other, by selling their jewels—for the price of gold is high—or by some other means they have been able to pay the kist. But hereafter they will not be able to pay even if they wish to. I have pointed out several times that paddy will be ready for the market only towards the end of January. But now they have to sell their paddy in advance: they have to enter into an agreement even in December to sell their paddy, in which case, they get much less than what they would get if they could sell their paddy in February. They can save a few rupees by this postponement, but this is not allowed to them, because the Collector is satisfied with the collections and does not want to give the people any relief.

“ The second difficulty of the people there is this. A lot of paddy is dumped into Ghumsur from the Feudatory States of Orissa round about. This causes a heavy fall in the price of paddy in Ghumsur. But no enquiry is made, nobody cares to make any enquiry, because the Government realize their assessment.

“ I have drawn the attention of the Government a number of times that, although they passed several orders to give preference to Oriyas in certain departments, they have had no effect. After the establishment of the Madras Services Commission, the Government Orders have been honoured more in the breach than in the observance. I put certain

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questions also and the Government replied that the matter was under consideration. But till now nothing has been done. They seem to say that we are going away to a new Province and as such are not to be considered as subjects of the Madras Government. Until the new Province is formed—I do not know when it will be formed—we have a right to be treated as subjects of the Madras Government. As such, we must have the benefit of all the Government Orders passed previously. In this connexion I want to refer to an incident. An Oriya gentleman applied for the post of a District Munsif. One of the senior Andhra High Court Judges said to him: Oh, you are going to run away from us; we are not going to take you; you are already taking so much from the Andhra Province; therefore you should not be selected for the post of Munsif here. I submit, Sir, that it is not just."

3 p.m. Mr. M. B. RANGASWAMI REDDI addressed the House in Tamil as follows.

"அக்கிராசனாதிபதி அவர்களே ! பாலன்ஸ் சரிகட்டினதைப்பற்றி யெல்லோரும் சந்தோஷப்படுகிறார்களே தவிர குடிகள் குறையை நிவர்த்தி செய்யாததை பற்றி ஐரோப்பிய மெம்பர்கள் உள்பட யெல்லாரும் வருத்தம் தெரிவித்திருக்கிறார்கள். குடியானவர்கள் எல்லா நகைகளையும் விற்று கிஸ்து கட்டிவிட்டார்கள். இவ்வருஷ கிஸ்துக்கு இந்துக்களுக்கு முக்கியமான தாலி முதலியவைகள் விற்று கிஸ்து கட்டுகிறார்கள். சென்னை மாகாணத்தைப்போல் பெரிய மாகாணமாகிய பம்பாய் கவர்ன்மெண்டார்கூட தாராளமாய் வரி வஜா செய்திருக்கிறார்கள். கனம் நிதி மெம்பர் சொல்லும் சமாதானம் அங்கீகரிக்கத் தக்கதல்ல. ரோடு கிணறுகள், கல்வி முதலியவைகளுக்கு அதிக பணம் ஒதுக்கிவைக்கப்படவில்லை. செட்டில்மெண்டில் வரி உயர்த்தும் கொள்கை சரியல்ல என்றும் இச்சபை சொல்லியிருந்தும் அதில் வரியை எதிர்பார்ப்பது சரியல்ல. ஜெயில்களில் கைதிகளுக்கு மோர் கொடுப்பதாகவும் யோசனை செய்வதாகவும் சொல்லி கடைசியில் கொடுப்பாது வருந்தத்தக்க விஷயம். எருதழை, கால்நடை மேய்கால் வரி குறைக்கும் விஷயமாய் அநேக வருஷங்களாய் இச்சபை குறிப்பிட்டிருந்தும் குறைக்கப்படவேயில்லை. மேலும் கவர்ன்மெண்டுக்கு சவல்ப வட்டிக்குப் பணம் கிடைக்கும். குறைந்த வட்டிக்கு குடியானவர்களுக்கு கவர்ன்மெண்டிலிருந்து உதவவேண்டும். பொதுவாக இச்சபையினர்க்கு பேசும் உரிமை தவிர வேறு உரிமை கிடையாது. மெம்பர்கள் பேசுக்கு மதிப்பே கிடையாது. இதைவிட பட்ஜெட் தபாலில் அனுப்பிவிட்டால் மெம்பர்கள் கையெழுத்துசெய்து அனுப்பி விடுவார்கள். பாதகமான அபிப்பிராயம் கொடுத்தாலும், கவர்ன்மெண்டார் சாங்ஷன் செய்துகொள்ளலாம். கவர்ன்மெண்டுக்கு பணம் மிச்சமாகும். மெம்பர்கள் சொந்த வேலையையாவது பார்ப்பார்கள். கவர்ன்மெண்டார் செய்யும் காரியம் கொஞ்சம்கூட பொறுத்தமானவையல்ல. கனம் நிதி மெம்பர் மழை சரியாய் ராஜதானியில் காலாகாலத்தில் பேய்ந்துவிட்டதாக சொன்னார். மெண்டார் கணக்கில் மழைக்கணக்கில் வட ஆற்காட், தென் ஆற்காட், சித்தூர், செங்கல்பட்டு ஜில்லாக்களில் காலாகாலத்தில் மழை குறைவென்றும் பேய் வில்லையென்றும் தெரியவருகிறது. இது விஷயம் அவர் சொல்வதானது பொருத்தமாயில்லை. சம்பளப் பிடித்தம் விஷயத்தில் சில அதிகாரிகள் தங்கள் சம்பளம் போனாலும், குடிகளுக்கு தீர்வை குறைத்தால் போதுமென்று சொல்லுகிறார்கள். ஆகையால் இனியாவது, அதாவது மார்க்சு மாதத்திற்குள் 100க்கு 25 பெர்சன்ட் வரியை குறைத்து குடிகளுக்கு அனுசூலம் செய்யக் கேட்டுக் கொள்கிறேன்."

Khan Bahadur MAHMUD SCHAMNAD SAHIB Bahadur:—"Sir, from the point of view of the Finance Department, the Budget presented by the Hon. the Finance Member is an admirable one; it is a successful Budget as it is a surplus Budget. I have to congratulate the Hon. the Finance

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Member on this successful production. It is indeed an achievement especially as it is at a time, when the general economic depression is still overhanging. But is this all that is required of a popular Government? Certainly not. It has been pointed several times before that Governments exist for the people. When such is the case, the first duty of the Government should be to find out the capacity of the people to pay and fix the revenue that can be collected from the people. Then they should cut the coat according to the cloth, viz., it is only then that the Government should fix the figures of expenditure that can be made out of the revenue; and not first fix the expenditure and then find out the money that is required, as has become the fashion lately in this Province.

“ There is no doubt that there is overtaxation in this Province. Therefore it is that we find surpluses accumulating year after year. If the Government had not demanded more than what was actually necessary, there would not have been surpluses accumulating every year as now. Indian people are notorious for hoarding, and our Madras Government is essentially Indian in this respect. Like the proverbial father who accumulated money and allowed his son to pass away without unearthing the wealth and utilizing it for giving efficient medical help, just so, the Madras Government is storing money and allowing the people to starve without doing anything to save them. What is the sanctity about these Provincial balances? What is it for, if it is not to be made use of in times like this, times of emergencies? The Hon. the Finance Member fears that the surplus will be swallowed up by the year 1935-36 if remission on this basis were continued. It is not contended that remission should be continued for ever. Even if the balances are wiped out, when the emergency ceases to exist, these concessions may be withdrawn and revenue surpluses may be allowed to accumulate again. Even this year according to the Hon. the Finance Member's own showing there is a surplus of 4.46 lakhs. Without drawing from the provincial balances and without materially restricting nation-building activities and useful enterprises, it will be possible to give the required land revenue remission by further retrenchment and restricting some less important expenditure. The lines on which retrenchment can be carried out has been pointed out by Mr. Langley, and by other hon. Members. I can give a small instance which will show how restrictions on expenditure can be effected. On the expenditure side there is a provision for 1.22 lakhs for voyage, inauguration and equipment expenses of the new Governor. About the voyage and inauguration I don't say anything against. The expenditure on these items may be necessary. I think equipment alone will cost about half a lakh. If it is for adding new furniture, such as carpets, etc., in the Government House and if they are so added every 5 years, there will be no room at all left in the Government House. If it is meant to replace old furniture, we are not told what is being done with the old furniture which are replaced every 5 years, whether they are written off or whether they are disposed of and their proceeds credited and if so to which account. All that I have said do not apply to the Finance Member alone,

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but to the Government as a whole. I had the honour of working with the Hon. the Finance Member on the Retrenchment Committee; I found him always anxious to apply the pruning knife to every possible item. But, Sir, there were some items which he could not touch, nor could the Committee do anything in those matters. For instance, there were several proposals before the Committee such as the reduction of the number of Executive Councillors, etc. It is, therefore, a matter for the Government as a whole to consider in what way they should move. The Budget Statement presented to us is a lucid one, of course. In spite of that and in spite of the jugglery of figures by the financial experts, I firmly believe that 25 per cent remission could have been given by further retrenchments and restriction of expenditure. The Government do not seem to realize the real difficulties of the people. If the Government feel any responsibility, I think they should have given effect to the resolution passed almost unanimously by the elected Members of this Council. The Government seem to think that the Council is not competent to advise or perhaps that the Council is not fully equipped with the required data to advise them. Well, Sir, who is responsible for this? The Government do not give full facilities to the Members to study the questions sufficiently and rise to the occasion. If the Government will only do that, I am sure they will find that the Council is fully equipped and qualified to advise them in every detail.

“According to the current year's Budget, the revised estimates for the travelling allowance of Members is Rs. 1,10,000. If, instead of that, the Government were to pay monthly salaries to the Members, it would not be much more than this amount. And it would also enable the Members to study the questions and be fully equipped to advise the Government.

“Another point I would like to touch upon is this: it has been pointed out several times this year as well as in previous years, that remunerative enterprises should not be financed from either the current revenues or the revenue balances. Instead of that, it has been the policy. We are not able to see the wisdom of it—to finance capital expenditure from the balances. The explanation given last year was not at all satisfactory or convincing to some of us at least. I hope we will have a satisfactory explanation this time at least for financing remunerative and productive enterprises from out of the current revenues and opening balances.”

Swami A. S. SAHAJANANDAM then spoke in Tamil.

* Rao Bahadur R. SRINIVASAN:—“Mr. President, Sir, this is the first time in the history of the presentation of our Budgets that the Hon. the Finance Member has referred to the landless labourers. I think the Hon. the Finance Member fully realizes the pitiable state of these landless labourers under present conditions when some land-owners are not well off. The land-owners go under various names such as jamedars, landlords, land-owners, pattadars, and again ryots. Sir, the big landholders who own very large areas of land are not able to

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cultivate all their lands and in fact, they do not want to cultivate them. Whenever, these poor labourers apply for any land, they generally say, that is intended for grazing purposes or that it is intended as cattle grazing and so on. And, if there are really some places, which they cannot very well prohibit, they plant a stone there and say that the land is reserved for a temple of Kali, the Goddess. In every way, they try their utmost not to give lands to these poor labourers. I hope the Government will look to these things. Of course, certain lands have been allotted by Government for the Depressed Classes, but these lands, I am sorry to say, are not worth cultivating at all.

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“ Now as regards remission, I think there are landholders, some of them are very wealthy, some holding high positions in Government or practising as vakils and besides their income from land, they have other resources also. In the case of these people, I do not think why any remission should be granted to them. In fact, whoever holds large acres of land, they should be doubly taxed.

“ As for the salary cut, there are officers, from clerks upwards—many of them are land-owning classes—having means and resources. They enter Government service in order to hold a status and authority. But there are other classes of people who spend lots of money on their education and who are consequently poor. They also get into service, but as their pay is gradually increased, their families also increase. When they retire, of course, with a large family, in a very short time after their retirement, they die leaving no provision for their families. It is for the Government to find out those who have other sources of income and deal with them accordingly. I do not know if that is possible.

“ I am now coming to the Depressed Classes education. Now, the Government, or the Educational Department or the Director of Public Instruction, seem to have the idea that when these Depressed Class children and untouchables go to common schools, their untouchability will, in course of time, disappear and that at the same time, it would be less expensive to Government. But our experience during the last 12 years proves to the contrary, because in the common schools in the villages, caste people do not admit Depressed Class children. Of course, Government say that in schools where Depressed Class children are not admitted, Government grants would be refused. If a Depressed Class child goes to a school, he is indirectly prohibited from entering it either by the employer or by the parents of the other children in the school.”

(At this stage Rao Bahadur G. Jagannatha Raju, Deputy President, occupied the Chair.)

“ So, Sir, there is, therefore, no chance of these Depressed Classes pupils being educated. Unless the Government start separate schools for these Depressed Classes, there is no chance of these classes getting required education. Let Government give education to these classes. The untouchability will go by itself in course of time but to wait till

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untouchability is removed, is to keep these poor children without education. We have got the experience of the missionary schools. They never objected to anybody coming into their schools. From our experience of these mission schools, it will be seen that the Christian community is far advanced in education than any other community. Similarly, if separate schools are provided, at least up to the higher elementary standard, the Government can ameliorate the condition of these Depressed Classes. In India, different communities have different ways, manners and customs. It is quite essential to provide separate schools for these people.

“ Now, coming to the Labour Department, there is the Commissioner of Labour. The department was started after about 40 years of hard struggle on the part of the Depressed Class leaders. At that time, it was so arranged that a senior member of the Indian Civil Service should be appointed to the post and that the officers, belonging to the Deputy Collectors cadre, should be appointed as District Labour Officers. But there came a time—I mean at the time of the trouble in the mill area—when the Justice Party was against the Personal Assistant of the Labour Department. In order to get rid of him, they said that an officer of Deputy Collector's grade should not be there and only men of the Deputy Tahsildar's cadre should be appointed to that post. Not only that, as my previous speaker, Mr. Swami Sahajanandam, mentioned, at the start, we were getting 15 lakhs, but now we get only about 7 lakhs. The allotment has been gradually reduced. In so many other ways also, that department has been made very unworkable.

“ At one time the Government had decided to have separate schools for the children of the Depressed Classes. Again they said, that these schools would be transferred to local bodies. What we are anxious about is that these people should not be tossed about from post to pillar, but there must be some steady policy in regard to this matter. Unless special arrangement is made for the amelioration of the condition of these people, it is impossible to improve them. It will be only a waste of money. Now, the duties of the Labour Commissioner is being done by a Member of the Revenue Board. We find, in practice, that the Member of the Revenue Board has too many irons in the fire and he has scarcely time to attend to the Labour Department work. All the work is done practically by his Personal Assistant, an officer of the Deputy Collector's grade and whatever, this officer places before the Revenue Board Member, is simply signed, as he has no time to look through the files. Thus the department suffers a great deal. Something tangible ought to be done and a Labour Commissioner should be appointed immediately and be put in charge of the work, so that the work may be carried out quite satisfactorily. I can deal with many other things relating to the Depressed Classes, but the time at my disposal being short, I shall finish with this.”

B. POKKER SAHIB Bahadur:—“ Mr. President, Sir, I am very sorry that I have not been in a position to persuade myself to congratulate the Hon. the Finance Member, though I am trying to do so. I have always

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been thinking that the Hon. the Finance Member is the boldest Member in the Cabinet and whenever he is convinced of the necessity of a bold action in any particular direction, he will never hesitate to do so. In fact, I was persuaded to believe so by his own attitude on other occasions, but it is very unfortunate that in the matter of this Budget, I am constrained to say that it is a very unsympathetic one and very disappointing too. The reasoning of his speech on the Budget is very unconvincing and is fallacious. I would only refer to some parts of his speech. The question that has been troubling the minds of the people throughout the land and to which, I am afraid, the Government seems to be rather indifferent, is the question of the remission of land revenue. The Hon. the Finance Member himself admits that the financial state of the country is really much depressed and though he says he is unable to consider the various causes for this state of depression and to find out a solution for the present state of affairs, I am afraid, he has not made sufficient attempt, so far as it lies in his power to meet the present bad condition. Neither the Government nor anybody can deny the fact that this country is mainly an agricultural country and the Government also admits that the land revenue is the main source of income. On account of the lowering of prices for the agricultural products of the land, the people are not in a position to find money for their products and pay the land revenue. It was suggested to Government that the people may be permitted to pay their land revenue in kind, but they were told that it was impossible. Now what the Government tells the people is, whether you are able to find prices for your products or not, you pay down whatever we want in cash. Where are these people to go for that? It is true that they are liable for this land revenue, which is being met somehow or other, but it is rather pitiable that the Government do not go deeper into the matter and find out the real situation as to what extent the people feel distressed and to what amount of misery they are put in this matter. The real pity of it is that the Government look upon this matter also with the same attitude, with which they look upon the demands, say of political agitators. They always proceed with a prejudice against any demand made on political matters by the political agitators. But they entirely forget the fact that the people who are pressing the Government to have some sympathy in this matter are not people of that character at all. The most loyal people, the ultra loyalists, are the persons who are foremost in pressing this demand. Unless they are pressed by sheer necessity, they will be the last persons to bring pressure on the Government in a matter like this. What I would request the Government to do is to make a distinction between this demand as regards the remission of land revenue and other kinds of political demands. They should not treat this demand on the part of the people in the same way, they treat the political demands of the people. What the people want is only a right to live, only a chance to exist, a bare subsistence. That is all that they want and if the matter is seriously and deeply gone into, I am absolutely certain that the Government itself will find that what the people require is only

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to be allowed to have bare subsistence. That is what they are not having now. The Hon. the Finance Member in his speech stated that it is only some of the small ryots that will be benefited by any such concession. But he concedes that they will be benefited. Now, Sir, having said that it is these small ryots that will be benefited by the concession, I say that it is not at all difficult of you if you reason further to see that, by the concessions to the persons who pay larger revenue also, even the smaller people will be ultimately benefited. The burden of the revenue that is collected, falls ultimately on the persons who cultivate the land, whether you collect in small sums from small landholders or whether you collect in large sums from large landholders. So, ultimately the incidence of taxation falls on the actual cultivator. There is no doubt about it. And if the large landowners do not get any remission, the only result is they will exact it, in whatever way it is possible for them from the small cultivators who cultivate lands under them. So, that reasoning I say is very fallacious. It is, not merely the small landholders that will be benefited by the remission, but all classes will be benefited. In fact, if the remission is not given to the large landowners, it is the cultivators, that will actually and ultimately feel it. So, that argument of the Hon. the Finance Member is really fallacious.

“ Then, Sir, another argument that I find in his speech is this. He asks: ‘ And leaving the agricultural voter, what shall be said of the masses of the poor whose needs are so pressing and so obvious—the landless labourer, the small shopkeeper and the rest?’ Now I just want him to realize that in this country as it is situated, the prosperity of the agriculturist is the prosperity of all classes of people. It is the capacity of the agriculturist that determines the prosperity of the shopkeeper or the landless labourer and other classes of people that the Hon. the Finance Member refers to. If the actual cultivator, the agriculturist, has not got anything with him, then certainly he will have to starve and there will be no purchasing capacity in him. And the commercial man who deals in other articles, and who perhaps is not a cultivator, is benefited, if the cultivator has got purchasing power or capacity. If the cultivator is destitute and has nothing to purchase with, the merchant and the trader are also adversely affected by it. In short, if this question is gone into in this way fully, it will be found that the misery of the agriculturists in this land leads to the misery of every other class in this country. That is an economic proposition which cannot be denied and which can be established without any difficulty if the matter is gone into.

“ Now, Sir, there is another aspect also of the same matter which is to be considered. What the Hon. the Finance Member says, is that the remission of revenue to the ryots on these agricultural lands will be at the cost of persons other than agriculturists; and so Government will be acting against the interests of those non-agricultural classes, and it will be unfair to those classes. I think I have understood his speech correctly. I am rather surprised that the Hon. the Finance

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Member should take his gratuitous brief on behalf of persons or classes of persons who have never made any such statement or who have never protested against this remission of land revenue. Non-agricultural classes are fully aware that the remission of land revenue is to their benefit as well and that is the reason why they have refrained from protesting against the remission of land revenue which is perhaps immediately benefiting the agriculturist but will ultimately benefit all classes of people. We know, as a matter of fact, that, when we have got good harvests and the agriculturists are prosperous, every shop-keeper also is jubilant. He has very good business and every one makes his profits in those seasons. But when the season is bad every one suffers thereby. And that is the reason why they have not made any protests and I think I can state without any fear of contradiction that absolutely nothing has appeared either in the press or anywhere else to the effect that persons other than agricultural classes are against any policy of granting remission of land revenue."

* The Hon. the DEPUTY PRESIDENT:—"The hon. Member has exceeded his time limit."

B. POCKER SAHIB Bahadur:—"Only two minutes more, Sir. I want just to make reference to two other topics which concern the Hon. the Education Minister before I sit down, as I have no time at my disposal. One is with reference to the attitude of the Government as regards what is called the Champion scheme. Protests after protests have been appearing everyday from all parts of the country against the enforcement of this scheme. And I am surprised to find from the attitude of the Hon. the Education Minister in the answer that he gave to some question the other day that the Government wants to enforce this scheme. Without going into the merits of that question, I would just like to point out that, whatever may be the decision of the Government or the decision of the non-Muslims, so far as Muslims are concerned, it is practically their unanimous opinion that this scheme should not be enforced. I have myself received copies of ever so many resolutions passed by public bodies and at public meetings in Malabar and communicated to the Government. The same attitude, I find, is being taken up by the Christians as well as Depressed Classes. So, Sir, the Government should consider twice before taking up the attitude they have done in the teeth of the opposition of these communities."

"There is only one other point to which I would at present just draw the attention of the Hon. the Education Minister, before I resume my seat and that is this. The Government has been really kind and has really appreciated the view-point of the Muslims in the matter of the necessity to provide religious instruction for Mussalmans. And it was certainly very good of them. That is one the very few good acts that the Government can boast of, for perhaps so many decades. Anyhow it is really very surprising to find that the Government having

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come to such a decision, has hesitated to give effect to it, by providing for such religious instruction in the present year. In fact, it I am not mistaken, the Hon. the Education Minister has even made the promise to make a provision in this year's budget itself. But it is really very disappointing that such a provision has not been made and I may assure the Hon. the Education Minister that that is a subject on which the Mussalmans will never keep quiet, unless it is given effect to, for it is a matter vitally affecting them and their future education and progress and I would just impress upon the Hon. the Education Minister that any tactics by evading this issue by just directing that such of the Mussalman teachers that are working in the existing institutions may be allowed to teach religion also at some hour or other. That seems to be the tactics that is sought to be adopted in a matter like this. Well, Sir, I say that certainly will not answer the purpose and we are not going to take such things lying down. We are very serious about it and I would impress upon the Hon. the Education Minister that he should take the earliest opportunity of giving effect to this Government Order. I would also just touch upon another aspect of it also. I have always thought that the Government is very jealous of its prestige. I do not know whether this prestige disappears now in this connexion. The Government deliberately considered the question and have passed orders on it and a Government Order has been issued and I do not see why they should not give effect to it. At any rate for the question of their prestige also they must consider this matter."

* Mr. G. R. PREMAYYA:—"Mr. Deputy President, Sir, in the speech of the Hon. the Finance Member I find a word which has proved a great consolation to the poor and if he wants to translate the word into deed, I would appeal to him to start poor houses wherein the poor can live and work for the benefit of the ryots in the whole country. If he does not do so, Sir, the statement he made, would amount only to lip sympathy.

4 p.m. "In the whole of his speech, I do not find a word which is sympathetic towards the ryots of the country who are the backbone and supporters of the Government. Much has been said, Sir, about the salaries of Government servants. He does not want to cut them as the Government of India did. Sir, my hon. Friend, Mr. Koti Reddi and some other gentlemen also said that some time ago, perhaps soon after the World War, the prices went up high and the Government servants could not balance their family budgets. So, the Government came forward and asked this Council to grant a little sum to those Government servants. I was here, Sir, when that discussion took place. Not even a single Member raised his voice against it. Even in the country, no ryot had said anything against it. One Hon. Member here said that there should not be any connexion between the cut of the salaries and the land-cess assessment. Sir, if there is no difference and if there should not be any connexion, may I ask, you,

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Sir, why the ryots kept quiet when the Council allowed a certain sum to be granted to Government servants? When they ungrudgingly granted this sum to the servants of the Government, the Government or the Government servants should not raise any objection for our asking our remission. At that time, prices went up high and Government servants could not balance their family budgets. Now, the prices having gone low, the ryots cannot balance their budgets and now they come forward for the help of the Government. When it is possible for the Government to give help to the Government servants, it must be possible to help the ryots also. This state of affairs may be compared to a ship sailing in the sea. When the ship sails in the sea, all passengers, first, second or third class proceed together. If it is torpedoed in the mid-ocean, all of them sink together. When finance of Government is torpedoed, whether it is Government servant or it is the ryot, or the landlord, or the landless labourer, all should sink or swim jointly. So, I think it is worth while for the Government to come forward and say that 25 per cent remission is necessary for the ryots. Sir, some time ago there was scarcity of sugar in Europe and a certain gentleman in Germany found one root crop in which sugar was found in abundance and then he developed it and the Agricultural Department of Germany took it up and developed it and now a greater amount of sugar consumed in Germany is extracted from that root crop. The Agricultural Department of Germany saved the situation of Europe at that time and some more examples, I would like to tell. Some time ago, Indian mangoes and African mangoes were being exported to America, and when they found that they could not purchase those mangoes, they went to Florida, cleared the forests and planted mangoes. Similarly, in the case of oranges, when they found that the prices were high, they cleared the forests of California and planted oranges. Why not Government teach the ryots here to grow better crops to get better money? Some hon. Members told us that sugarcane is best suited for paddy fields. I think, Sir, in the paddy fields there are two types of soil—sweet soil and the other the alkaline soil. You cannot grow sugarcane on alkaline soil. So, when the ryots are working under these conditions, I think it is the duty of the Agricultural Department to go to their rescue and teach which crops they could grow profitably. Sir, when the Government is not going to help the ryot in this way, where could they go to? Government are the purse-holders and they should look after the comforts of the ryots. As long as the Government are not going to help the ryots, I think it is the Government that will lose heavily. With these few remarks, Sir, I request Government to give 25 per cent remission and also to use the Agricultural Department to teach best means to these ryots to grow better crops."

* Mr. G. SIMHACHALAM PANTULU:—"Mr. President, Sir, I am glad after all I have had an opportunity to give vent to my feelings. In connexion with the Budget speech of the Hon. the Finance Member, I feel I am compelled to make some observations. First of all, let

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me congratulate the Hon. the Finance Member for the intelligent way in which he has presented the Budget for the consideration of the Council. I am very much pained to remark that he has nothing but a bald speech which does not satisfy any section of the public in this Province. Many kind sentiments were no doubt expressed in the first two paragraphs of his speech. I am not at all offended, when the Finance Member is audacious to say that this is all vote-catching business on the part of the Members, and the Members are merely raising a hue and cry for the time being. I think he will not be offended equally when we say that it is a common place argument for him to say that there are no funds available. About the remission of land revenue, Sir, he has given, as an experienced officer having studied men and things in this Province, he knows more of these ryots really more than any one of us here. But where there is a will, there is a way. It is a special misfortune that there is no public opinion in this Province which could direct the mind of the Treasury Bench to a particular side. This is really a misfortune. I am very sorry to notice that the Ministers who are our leaders, have not been assertive in spite of such support behind them. It is for our people who are our leaders to say what exactly we want and eliminate all the items that we can eliminate. We are passing through a critical stage. People are in penury. It is for them to guide the Government and say we want this particular thing and we do not want this particular thing. As far as the demands go, I have very carefully gone through the Budget, that many of the items on expenditure side are merely of a superfluous nature. For instance, I will give you one item, namely, museum and its extension. It is not one of the expenditures that one would like to have at this moment. Is it necessary for the administration of this Province at a time like this? A number of buildings are going on for residential quarters to officers. Would it not be possible to postpone the so many time-scales that are going to be given? Could they not find the way to put a stop to this for some time? All these things do happen because the Ministers have not been assertive and the leaders have not been forcible. They have not taken into their heads to fight out the issue. That is why the Hon. the Finance Member was compelled, having studied men and things in the Province, and was obliged to present a Budget in the way in which he has done. The reasons he has given for withholding or rejecting the verdict of the Council are neither cogent nor logical. If you were to say it is logical, I may unhesitatingly say that it is not logical but it is merely a crude logic. if I could say so. The Hon. the Finance Member was able to say that we talk of the poor ryot and says: 'And, leaving the agricultural voter, what shall be said of the masses of the poor whose needs are so pressing and so obvious—the landless labourer, the small shopkeeper and the rest? These gain nothing by the land revenue remission, but stand wholly to lose by a measure which can only cripple the power of the Government to aid them. Does this House owe no duty to them?' I wish to know and I demand an explanation from the Hon. the Finance Member, what is it that the Finance Member has provided for them

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in this big volume of Budget that has been presented to us. Probably he may say that some huge schemes were taken up and the labourers were employed. We know how new schemes are taken up by Government and how, in the end, they will say it is a failure. Take for instance, the Medical buildings in Guntur. After spending 3 lakhs they have said 'it is not fit for medical school.' Another school is opened. That building is either going to be sold away to missionaries or other Government offices are going to be located there. These are the kind of schemes that the Public Works Departments suggest and these are the schemes that Government are generously spending for the good of the people and this is how they say they are helping the labourers. After all, what is it that a labourer gets? So, it is a regrettable feature that in Part II schemes very little was provided and the most important schemes were not cared for. On the other hand, every time I see in the publication that scheme is turned down and these three sentences have a very peculiar feature. The Chief Engineer condemns the scheme; the department considers it unworkable and the Government accepts the proposal. Time and again, schemes contemplated for years together were condemned and condemned for unjustifiable reasons. So, Sir, this is the kind of Budget with which we are faced. I appeal to the Treasury Bench to see where the evil really lies. No opportunities are given to the Members to go to details. On the other hand, this is merely a mutual admiration society. The Hon. the Finance Member says 'let me express to the Members of the Public Accounts and Finance Committees my sense of the obligation under which they have laid not only the Finance Member but also the department and the Government by the helpful care they have exercised in performing the functions with which the House entrusted them.' I do not agree with him at all. On the other hand, it is the Hon. the Finance Member that has with admirable care prepared the Budget and not the Finance Committee. If the Finance Committee had exercised its functions very properly, I do not think the Budget would have been presented to-day in this fashion. It would not have been done. So, I respectfully appeal to the Treasury Bench to allow us to explain matters more clearly when the cut motions are coming and see whether anything could be done for the good of the Province—whether it is for catching vote or whether it is for higher salaries, there should not be any quarrel about it. I hope our requests which are legitimate and reasonable will receive the consideration they deserve. With these few words, I resume my seat."

*Subadar-Major S. A. NANJAPPA BAHADUR:—"Mr. Deputy President, Sir, I rise to congratulate the Hon. the Finance Member and his staff for the lucid and clear exposition of the finances of this Province for the coming year and for presenting a balanced Budget. When we are in the midst of world-wide depression, it is indeed satisfactory to note that he has given a remission of 12½ per cent to the ryots. But, Sir, considering the very low prices of the agricultural commodities, the poor ryot is entitled to a little more remission which, I have no doubt,

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the hon. Member will consider in due course. The Finance Committee recommended a remission to the extent of $18\frac{3}{4}$ per cent, but the budgetary position, as it revealed itself, made it possible for him to give only $12\frac{1}{2}$ per cent. Sir, even now the prices are very low and since Siam and other places are dumping their rice into Madras, the prices are bound to go down further. Unless we take steps to check this dumping, I am afraid, our agriculturists would not be able to pay the kist.

"Sir, the Hon. the Finance Member rightly said that we must not give a blank check to the new Council. He is right there; but the right way to do it is to cut down our expenses properly. Unless we retrench expenditure, I do not think we can leave anything for the coming Council. Of course, we must not forget that the Retrenchment Committee has taken a lot of trouble to survey the whole field of expenditure and to cut down expenditure in this and that department, but side by side with this, proposals for increased establishments are coming up. We must nip such proposals in the bud or they would grow into enormous proportions.

"We heard many hon. Members speaking of educated men in the streets of Madras seeking employment. This is true. Government should also remember the case of the ex-service men who are without jobs. It must be remembered that it is the Madras Army which helped the Britishers, when they arrived in India and that it is on account of them that the Union Jack is flying over India to-day. These men have been mercilessly swept away and the names of the old Madras Army have been wiped out from the Indian Army List. These men who worked faithfully throughout, have been swept away on account of the economic depression in the country. It is true that there is economic depression. But you should not ignore the fact that these people add to the number of unemployed. Further, instances have come to the notice of the Government that these people are not treated properly and are not given suitable civil employment when they leave the army. You will see, Sir, there is now no Madrasi in any regiment except in the ranks of the Sappers and Miners. So, Sir, our young men, desiring to have a military career, are denied it because there is no army here and as they are Madrasis, they are not taken by the other Provinces. Their cases have been referred to the Government for employment in the Civil departments as peons, etc. To help them in getting these jobs, there are many Government Orders and yet the Civil authorities do not carefully consider their cases.

"Sir, there is a Government Order directing the grant of lands on darkhast to these people, but their applications for lands are not favourably considered by the Civil subordinates and village officials. If at all lands are given to them, those lands are such that they are of no use to them. When they apply for better lands available, various excuses are given to refuse their requests. I hope the Government will consider this and do the needful.

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“ Sir, coming from Salem district, I must submit that drinking water is badly needed there. We have been agitating for it in this Council for the last so many years and we have been always told that the Government are considering the question and that the matter is under correspondence. I do not know what sort of communication or consideration it is. The river Cauvery runs on the border of Salem and the Government have spent a lot of money for the dam. But when we ask for water for irrigation purposes, the Government say it is impossible to give. Salem, you know, is a dry district. Of course, there is the Panamarathupatti tank, but the water is not enough for our purpose at all. For the last several years, the tank has been dry and we have been suffering for want of water. And all the time, the Government have been saying that the matter is under consideration. I hope they will consider this very favourably and do something to satisfy the people of this dry district. With these few words, I take my seat.”

* Mr. K. A. NACHIYAPPA GOUNDER:—“ Mr. President, Sir, at the outset, I must say that I cannot feel happy to look into this year's Budget because it does not help the ryot population in any considerable measure though it has been satisfactorily balanced, of course, by squeezing the ryots. Speaker after speaker dwelt at great length on the question of the remission of land revenue to help the ryots at this critical juncture. The Government, too, say that they understand the situation, but the pity is that they do not rise up to the occasion. So far, the Government have agreed in their Press Communiqué to give a suspension of $12\frac{1}{2}$ per cent to places which have been re-settled in or after 1918-19 only on wet assessment, etc., but only a niggardly sum of $6\frac{1}{4}$ per cent on dry assessment in all the places. This sort of announcement cannot be taken as a sign of the Government, having known the real plight in which the ryots are placed to-day. I am really surprised to see my friends all along saying that the Government have granted $12\frac{1}{2}$ per cent remission. So far as I know, I cannot find any such thing in black and white, and it is a real misfortune to this Presidency. The present distressed condition of the ryots has been graphically described by many a hon. Member and actual facts placed before the Hon. the Finance Member and the Government at sufficient length and in a realistic manner and now it is needless for me to reiterate those things again. I would, therefore, only add my appeal to the Government at least to make an announcement now that the ryots will get further relief.

“ But I cannot be content without making a few observations explaining the special features of my district. In the Budget speech of the Hon. the Finance Member, he said that the monsoon has been on the whole kind to us. But, as far as my district is concerned, I can say from a practical knowledge that it was only too kind in some places with the result that proper produce was not realized and not at all kind in other places. Only in some of the places in the southern parts, we have had more than the required quantity of rainfall. As the district is mostly

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a dry area, the dry crops, in consequence of too much rain, were considerably damaged. With all that oweful plight, and the unprecedented fall in prices to boot, this district, too, is to get the ridiculous grant of $6\frac{1}{4}$ per cent suspension, as it is mostly a dry area. I have my own doubts, Sir, whether even this small concession, if at all I may call it so, is really felt by the people, if sufficient safeguards are not taken to inform them in advance, as to the kist to which this suspension relates and what amount they have to pay in each kist. If the ryots are not apprised of these facts in time, and the actual amount they have to pay, it is no use giving them now this suspension or remission. If proper steps are not taken in this direction, it will really be an additional burden to them because they will unknowingly pay the whole amount and would not get back the refund actually in their hands and if this suspension is not made absolute, they will have to pay it a second time. It is quite essential, therefore, that immediate steps should be taken to make the fact of the suspension or remission, whatever it may be, widely known in the villages. When the people are ground down by the severe hands of poverty and feel destitute, it is really heart-rending to know that another burden is to be placed on them in the shape of tolls on carts, etc.. Sir, the hon. Member from Tanjore representing the Indian Christian Constituency of that area said in emphatic terms on the other day, in speaking on the Local Boards Bill about this tolls question and paid highest tributes to the ex-Chief Minister for the abolition of tolls. I am surprised now why the party in which he is one of the stalwart members, is bringing in a measure to reintroduce tolls. It is a sad irony of fate that the good brought about to agriculturist is proposed to be marred in so short a period. Sir, even with the exemption of tolls now, the conditions of the poor agriculturists are very bad and we, their representatives, are repeatedly pleading for some relief to them. In such a situation, it is a very wrong policy to think of imposing additional taxation on the ryots by means of tolls. It may be said to those who cannot analyse the question deeply that it is not the ryot alone that will be affected. But it must be remembered that ultimately all these taxes, in whatever form they may be, have to be borne by the ryots. So, Sir, I desire to bring home to the Government about the unwise policy they propose to embark upon soon and advise them the sooner they drop it, the better.

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“Sir, I beg to point out that though my district is to pay almost the entire revenue, she is not getting proper treatment by appreciable benefit. Having adequate grants under Part II schemes for her area, many a vital necessity has not been provided for. It has been repeatedly dealt with on the floor of this House, by means of speeches and questions about the pressing necessity of drinking water-supply for the Salem town from Mettur Reservoir, but to no effect so far. I do not find any trace of it in the Budget that is before us now. Another year is also to pass during which there will be only transmission of files from place to place and there is no likelihood of tangible benefit to the people. This sort of attitude on the part of the Government

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has to be resented to. I make mention of this again with the hope that the Government will now at least see their way to look into and hurry up their proposals regarding this matter. It may be said, Sir, that they have allotted a sum of about Rs. 1,96,000 for Thokur-Mettur Trunk road, which passes in my district. But I may point out that this does not benefit the district in any way. It seems to me that, by making this expenditure, you are doing much inconvenience to the public of my district. If Thokur-Mettur road is finished and opened for traffic, our present trunk road will not get sufficient grants and that the advantage of a great length of good road passing through many an important places in the district is lost. If that road is constructed, it may be an advantage to the tourists and through travellers, but it will be a detriment to the interest of our people. Having thus dealt with the matter of the ryots, and the case of my district, I now pass on to the present-day problem that is engaging the attention of many a people to the amending Bill on Local Boards Act. The present Bill that has been introduced by the hon. the Chief Minister contains a drastic measure, making unemployment problem still more acute. My hon. Friend, Mr. Natesa Mudaliyar dealt at great length yesterday about the unemployment problem and furnished statistics in the matter with regard to the City of Madras. If this Bill is passed into law, I am sorry that about 1,000 more people will be turned out into the streets to swell the ranks of unemployed. So, it is really very hard to think of the unfortunate position of these class of servants and it will be a great sin, if their lot is not properly considered and suitable remedy is brought about. So, I request the Government to find out ways and means to employ these men who are to be ousted from service on the abolition of the taluk boards. They have almost sacrificed their whole life in these taluk boards and they are not now fit for any other walks of life except quill driving. Hence I may say that it is most incumbent on the part of the Government to see that these employees are not put to starvation.

"Then Sir, I want to say a few words with regard to education. Some hon. Members who had preceded me have dealt with the 'Champion Scheme.' I must also express my humble opinion that it is not a thing which is workable in rural parts. Knowing as I do, in rural parts the conditions obtaining are different than what strikes the imagination of the authorities. The teachers take a lot of troubles to bring the pupils to the schools and thus make them attend the schools in course of time and this scheme will be practicable, only if the schools in full form are located in each village. The Champion Scheme may be thought of, only when compulsory education is to be introduced and I do not think we will be able to see universal compulsory education in our province in this generation. So, we should continue the present method of having school in each village with all its classes, and there is no use of hovering in the sky, when we are not able to walk. In the consideration of giving effect to the Champion Scheme, the Government have to be very cautious, and think many a time, before embarking on this scheme.

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They must study this question from all its aspects and take into consideration the conditions prevailing in rural areas and then only they must take any bold step in this direction. I will be failing in my duty, if I omit to say now a few words about the poor lots of teachers under local bodies and private institutions. They have no proper treatment. They have no adequate emoluments. And they have not even the security of tenure. In the Budget speech, the Hon. the Finance Member has spoken at great length with the regard to the tenure of Government service and I fail to note why the Government should not place these poor teachers on a better position. Of course, the Government have passed some orders in recent times to improve the position of local board employees, but I must say that it is not sufficient. The Government must take steps to see that the teachers employed under local bodies and under aided agencies enjoy the same privileges, as teachers employed in Government institutions. Nothing has been done so far and their condition is so woeful that immediate improvement of their lot is necessary. The Government are giving grants to aided schools, and they may make their power felt on them in all these matters. Unless the position of the teachers is stabilized, the lot of the teaching profession improved, it does not augur well of the educational problem in our province. I hope and wish the Government will look into it sufficiently deeper at least now. The time is up and I, with these few words, once again request the Government that they will be pleased to consider about the remission of land revenue, etc., as recommended by the Council, and before the Budget Session is over, come forward to make a positive and favourable announcement."

* Mr. H. M. JAGANNATHAM:—"Mr. Deputy President, Sir, I rise to offer my very sincere congratulations to the Hon. the Finance Member and I may add, on behalf of the community which I represent in this Council, on the surplus budget he has presented this year. It is not an enviable task to be a Finance Minister of any country during this period, when the whole world is experiencing unprecedented economic depression. Much more so is in the case of an Indian Finance Member of a subordinate Government like ours. Sir, those who have some foresight, will appreciate the desire of the Finance Member to see that he does not hand over an empty exchequer to his successor. If the Hon. the Finance Member wanted to be a bit selfish, and wanted to make himself more popular, he could have acceded to the demands of the agriculturists, made in season and out of season. I entirely sympathize with the lot of the agriculturists, but how far, and to what extent, it is possible for a Government to accede to the wishes of the agriculturists, is the question that all practical people will have to consider. I have, no doubt, in my mind that the Finance Member has earned the gratitude of his successors in maintaining the Budget, though not on a large surplus, at least on a small surplus, so as to prevent the breakdown of the future Government. During the period the Hon. the Finance Member occupied the Treasury Bench, he brought to bear tact, ability and sympathetic understanding on the onerous duties of Finance Minister. He has been the

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most popular of Finance Members. Seldom, Sir, has any one felt that the Hon. the Finance Member was either unreasonable or indifferent to any representations made to him, for he has always to understand things in their proper perspective and help, as far as it lay in his power.

“ Sir, with regard to the salary cut, the Hon. the Finance Member has shown a real insight into the problem and understood most sympathetically the very difficult life of men who are in Government service. Members of different services of Government will be eternally grateful to the Hon. the Finance Member for championing their cause.

“ Now, Sir, I wish to submit to the Hon. the Finance Member that he has got to consider that there are certain communities which are called the Depressed Classes which we represent in this Council. These communities labour under very serious and severe handicaps. I need not repeat, Sir, the various difficulties to which we are subjected. You have been told in this Council, of those difficulties year after year, by representatives of my community. Naturally, Sir, in this connexion, my mind goes back to those days, when that indomitable champion of my community, Mr. R. Virayyan, was raising his voice against the inequities to which we were subjected. His voice, alas, was a voice in the wilderness. I refer to this matter just to show that the Government are not unaware of our pathetic condition. Government have been trying to do their best and Mahatma Gandhi is doing propaganda by collecting funds for Harijan work; but we, Sir, remain where we were. Neither the Government's work nor Mahatma Gandhi's have improved our lot much. On the other hand, our position is becoming worse, owing to the fact that high-class Hindus are trying to consolidate their position very much, and at the same time place as many barriers as possible in our way. We do not want entry into temples; we do not want to be called ‘ Harijans ’ or ‘ Harajans ’; we do not want ‘ Yagnopavitas, we do not want Vedas; but what we do want is a treatment that is generally accorded to human beings. We want to be considered as men; and that can be done only if we are politically elevated. By political elevation, I mean, Sir, giving us education. To give us education, you have got to spend more money, and it is that, Sir, I pray for from this place. I will not be content with mere education, Sir, but I want the Government to give us appointments; make a Depressed Class man a Deputy Collector or Superintendent of Police or a Deputy Superintendent, and see whether he does not get all equality? Entry into temples will come unasked. Why not, Sir, make one of our members a Member of the Cabinet? Are not there competent men? If the Government were to say, that there are no men, who could fill the place in the Cabinet with ability, integrity and tact, I can only say, Sir, that either the Government wilfully desire to insult our community as other caste communities do, or, they do not want to understand our feelings. I suspect, Sir, that the mentality of the Government is identical with that of orthodox Hindu mentality. The orthodox community treats a member of our community, however intelligent he may be, with contempt. Even in those good old days,

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Nandanar and Rohi Doss were treated, in spite of their high intellectual attainments and philosophical wisdom, worse than animals. I do not want to go further into the *Puranic* stories. Taking day-to-day life, I find that many high-class Hindus honestly feel that a Depressed Class member can have no power of thinking, can have no feelings of self-respect. These things, I place before this Government with feelings of sorrow, but not with bitterness.

"Mr. Deputy President, Sir, will you allow me to request the Finance Member to make provision in the Budget, not for a part-time Labour Commissioner, but for a whole-time officer? There is ample work, Sir, for the Depressed Class Protector who will have to look into our various grievances; for instance, take the question of darkhast. It is the policy of the Government to grant land to our people on darkhast; whenever members of my community get lands from the Government, they are taken away by some means or other by caste Hindus. In this open robbery, I am told, Sir, on reliable authority, that the Revenue officials are the abettors, because most of these officials themselves happen to be Hindus who could not, but sympathize with their brethren.

"Therefore there is an absolute need for an officer who could look to our interests with the carefulness of a father. These are only small mercies we ask of the Government. We hope that the Hon. the Finance Member will consider favourably the points raised and do the needful for the welfare of the Depressed Classes."

4-45
p.m.

* Mrs. ALAMELUMANGATHAYARAMMA addressed the House in Tamil and the following is the English rendering of the same:—

"Mr. President, Sir, most of the hon. Members, who have spoken on the Hon. the Finance Member's statement of Income and Expenditure dwelt on the need for reducing land revenue by 25 per cent and expressed gratification at the cancelling of arrears in the assessment collection. I am also grateful for the small relief which the Government have given to the ryots.

"Though the need for education is still as great as ever, one regrets to find that the sum allotted for this purpose this year shows no increase over past years. The need for spending money on secondary and elementary education is greater than for higher education. Hon. the Members like Dr. C. Natesa Mudaliyar have shown how these educated persons, after leaving College, are unable to find employment for their talents. It is unnecessary for me to enlarge on this subject. It should be the endeavour of Government not merely to give employment to them but also to utilize the services of the many M.A.'s, B.A.'s, Intermediates and S.S.L.Cs., turned out of schools and colleges. If the Government will, with the assistance of specialists, give special technical instruction, the way will open for employing these men usefully and for the good of the people. We are all glad that schools and colleges have been started for imparting education to young men and women; but, the duty of

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Government does not end there. They should also devise ways and means to provide employment for all these people who come out of the colleges.

"Among agricultural products, cotton is one of the most important. There are very few schools or institutes conducted by Government for teaching the spinning of cotton and the manufacture of fine yarn for making fine cloth, both for internal use and for export to foreign countries. The demand for cotton has also fallen. Cultivators are unwilling to sell their cotton for low prices and are keeping it on hand waiting for better prices. They are financially depressed, and it is desirable that they should be helped out of this depression.

"I observe that the Government have started an experimental station for the manufacture of sugar. Since the soil is in many places favourable for sugarcane cultivation, it should be the endeavour of Government to improve the sugar industry and to make it a success commercially.

"One of the most important aids to agriculture is cattle. Cattle afford occupation for a good many people. Milk, ghee and curd, which are essential for the health of the people, are the gifts of cows. Cattle also supply manure to the soil and help to increase the fertility. The number of persons who make their livelihood by keeping cattle and selling its products is increasing in cities and in villages their number has always been large. It is satisfactory to note that there are places like Ongole, Nellore, Kangayam and Alambadi, which are favourable for the cattle-breeding. But there are one or two places like Hosur, where Government are carrying on cattle-breeding. The Government should do more to improve the breed of cattle in this Presidency so that they may be even exported to places outside the Presidency. Another means of livelihood is the rearing of poultry. Some people rear poultry for their own consumption; but, the poorer people in the villages rear fowls as a means of livelihood. If the people could be encouraged to rear poultry on a large scale, as is done in countries like United States and Japan, it would provide occupation to the unemployed and increase income to the villagers and be an important item in rural reconstruction. But after all, whether the people are engaged in agriculture, trade or industries, it is necessary that they should have a modicum of knowledge. I would therefore urge upon the Government the need for increased provision in the Budget for elementary education. It is necessary to start schools for agriculturists and industrialists and for providing employment to the people in general. Then only will the poverty of the country be relieved. The Hon. the Finance Member has observed that educated persons may well go to rural areas and start schools which will not only give them employment but also improve the condition of the villagers. But, when the villagers are suffering from want of sufficient food for themselves and their children, how can they be persuaded to send their children to schools or pay for their education? Food in the first consideration and everything else comes after. The brain will not

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work when the stomach is pinching. You require a clean wall to paint on: so you require physical strength for all other kinds of improvement. I would therefore urge improving the economic condition of the people first and foremost.

“As the result of a continued demand for schools not only for boys but also for girls, Government have started separate elementary and secondary schools for girls, and even colleges for the higher education of women. All this is a matter for satisfaction. It has also been acknowledged that the teaching staff of girls' schools and women's colleges should consist of women only. This is the case mostly in elementary and secondary schools. It is also necessary that this should become the case in women's colleges. In view of this, it does not seem right to appoint in place of a woman lecturer who has gone on leave to appoint a man when a woman could easily be found capable of carrying on the work efficiently. This was done without due advertisement. It should be remembered that now there are enough capable women to do work in women's colleges as there are capable men to do work in men's colleges. Examination results show that women are by no means behind men in education. Some women even excel men candidates. At the public anniversary and prize distribution held yesterday in Lady Willingdon Medical School, under the presidentship of Her Excellency Lady Stanley, the report mentioned how these women headed the list of passed candidates. I request that hereafter at least the claims of women lecturers in women's colleges should not be overlooked.

“I would call attention to the urgent need of a hostel for the students of Lady Willingdon Medical School near the Caste and Gosha Hospital where these students have to come every day in a bus from their quarters more than a mile away. The Surgeon-General acknowledged the necessity and even the site has been fixed. It only remains for the Government to begin the erection of the hostel even before the building of the school is begun.

“There are various other matters to which I would like to invite the attention, but there is little or no time for them. I would conclude by mentioning what I saw this morning on my way to the Council. Near the bus stand on the Esplanade, there were a number of thatched sheds in which homeless coolies took shelter under the open sky. These so-called huts were burnt away that morning, and these people were under the trees near the Fort station and when I asked them what the matter was, they said that they had come away, with men, women and children from the neighbouring districts for want of work to earn their livelihood and had no places to rest. Is it not advisable for Government to build choultries and other rest-houses for poor people who cannot afford to pay rent? It is all very well to have town extensions for the rich, but what about the poor who have no places to rest their heads?”

The House adjourned to meet again at 11 a.m. on Monday, the 26th February 1934.